

JUNE 15, 1933

The Magazine for  
MARKETING EXECUTIVES

# **SALES**

## *management*

**Your Industry and the  
Government's Control  
Bill . . . . .**

**How Design Ingenuity  
Can Salvage "Waste"  
Materials . . . . .**

**Rex Cole Plan Puts  
New Men in the Field  
in Three Days . . . .**

TWENTY CENTS

# IT TOOK A DIZZYING LEAP TO MAKE THIS *Champion!*



AN apple-cheeked boy from the olive groves of Ontario, Southern California, not long ago grabbed a slender bamboo pole and raced toward a set of uprights. Then UP, UP, UP he sailed like an eagle—a story and a half above the ground—14 feet, 4 3/8 inches, with the grace of a Daedalus.

That made Bill Graber a world champion among pole vaulters, for neither before nor since has man ever lifted himself so high above terra firma on his own power!

## A CHAMPION SALES AREA:

Southern California, America's fourth market!

Over 3,000,000 consumers, close-knit by paved boulevards and the greatest auto-density in the Nation.

Ten prosperous counties—ranging every one above the National Per Capita Retail Expenditure average, by from

**15% to 80%!**

## ANOTHER CHAMPION:

The Los Angeles Examiner!

Every day in the year a mighty influence for sales throughout the whole Los Angeles market, with nearly 80 per cent of its circulation home-delivered.

Read by thousands MORE in the City Area; thousands more in the City and Suburban Area; thousands more in the tributary area than the NEXT Los Angeles morning and Sunday medium.

And at a higher price—the highest price in Southern California!

They must PREFER it! SO—

*To get into the Southern California market  
get into the*

## LOS ANGELES EXAMINER

*Represented nationally by the Rodney E. Boone Organization*

New York	Chicago	Rochester	Cleveland	Detroit
Atlanta	San Francisco	Seattle	Los Angeles	
	Philadelphia	Boston		



# THE WORLD'S LARGEST BRIDGE NEEDS A STRONG Foundation!

REARING their heads cloud-high and between them supporting the longest single-span bridge ever designed, the two mighty towers of the Golden Gate bridge will carry an aerial highway across the entrance to one of the world's largest harbors. And what a foundation these two sentinels of steel must be, for they are designed to carry a suspended load of 500,000,000 pounds!

For 38 years the San Francisco Examiner has been the foundation for advertising campaigns in Northern California

Here is one of the richest territories in the world with  
Per Capita Wealth 55% above national average!  
Per Capita Retail Sales 75% above national average!

Here is the greatest sales power in this territory with—  
Circulation leadership for 38 years!  
Largest circulation in "Bay" area!  
Greatest city as well as suburban home delivered circulation!  
Leadership for 38 years in national, local, classified and total advertising—daily and Sunday combined.

It takes such a territory and such a medium to account for such sales successes as these—

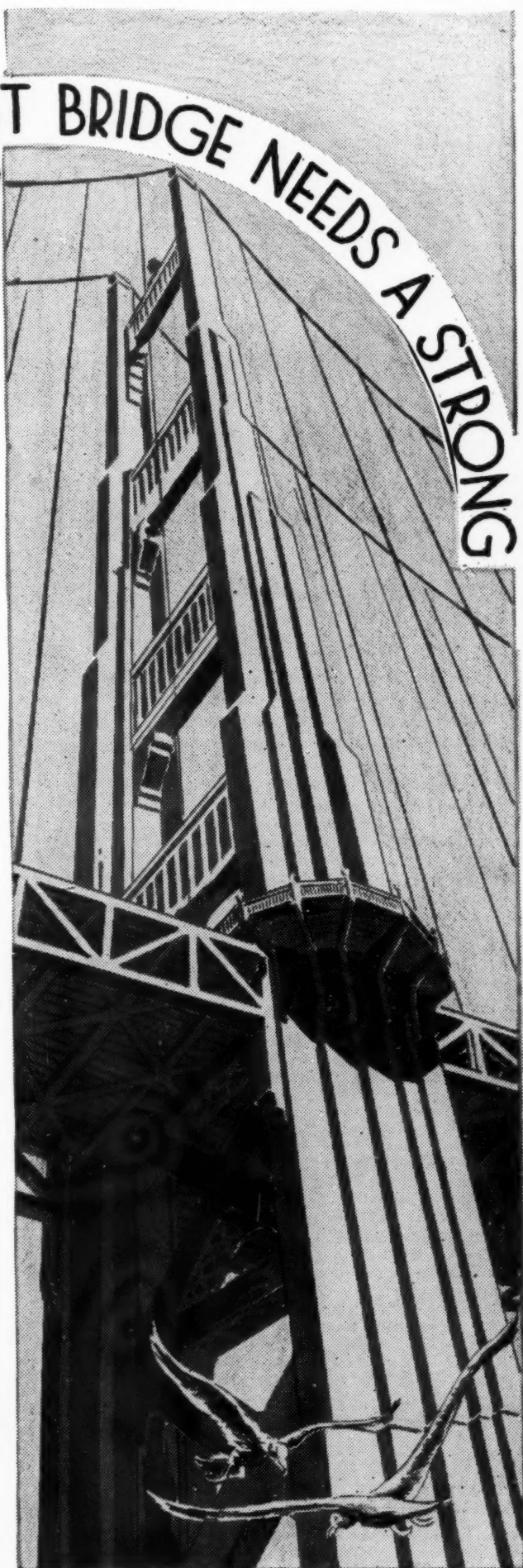
A ten inch advertisement in the San Francisco Examiner sold 425 electric razors for Hastings!

160 inches in the Examiner sold 15,000 pounds of Alta Coffee!

## SAN FRANCISCO EXAMINER

*Represented Nationally by the Rodney E. Boone Organization*

NEW YORK	DETROIT	SAN FRANCISCO
CHICAGO	CLEVELAND	SEATTLE
ROCHESTER	ATLANTA	LOS ANGELES
BOSTON	PHILADELPHIA	



## Is Branch House Overhead Causing You Losses?



**I**F YOUR sales volume is down, and it is costing you dearly to maintain branch houses in these times—let us make this common-sense suggestion: **Close your branches, and use A. W. A. Warehouses instead!**

It will cut your distribution costs . . . actually *improve* your service to your customers . . . yet confine your expenses to the volume of goods moving!

Imagine better branch house service than you've ever had before—but no lease, no labor pay-roll, no fixed expense! You pay on a "piece work basis" only, for goods actually stored or distributed!

Our 32-page booklet, which will be sent free on request, describes in detail the A. W. A. Plan of Distribution—through merchandise warehouses located in 189 principal American cities. These warehouses receive your merchandise in car load or less-than-carload lots . . . store it until needed by wholesalers, dealers or users . . . then deliver it where it is wanted. In effect, these warehouses become your branch house in each city you select . . . storing and distributing your goods . . . handling your orders . . . keeping in touch with you through daily stock reports.

Send today for the A. W. A. booklet. You will find it helpful in aiding you to meet today's problems.



**AMERICAN  
WAREHOUSEMEN'S  
ASSOCIATION**

2037 Adams-Franklin Bldg., Chicago, Ill.

## Survey of Surveys

BY WALTER MANN

### Ten Years of Small Town Growth

Leaping agilely from big cities to small towns, and from the realm of austere statistics to the engaging but much more literary style of Edmund deS. Brunner, we now make equally delayed mention of *Woman's World's* latest green-covered essay on the changes that have occurred in population, social and market trends in the past ten years in the small town market.

Conducted by Dr. Brunner, this story (and an interesting one it is by the way) is largely based on "a minute study of 140 representative towns and 26 counties located throughout the country and information from the 1930 Census."

Did you know, for instance, that there are now more people in villages and towns than ever before, and that, in the main, such places are increasing, not declining; that there are considerably more stores now than in 1910 and that these stores accounted for nearly one-third of the retail trade in the nation (more than \$15,000,000,000) in 1929; and that farmers and villagers spent approximately seven billion dollars more in cities, thus making the small towners (and rustics) responsible for nearly 50 per cent of the nation's retail trade? These are the sort of facts that make this book worth your reading and study. Address Gordon P. Manning, *Woman's World*, 551 Fifth Avenue, New York City, for your copy.



Pirie MacDonald  
Walter Mann

six of the leaders in a group, and finally for each store. Well worth looking at. Address Jerry Byrne, *Chicago Tribune*, Tribune Tower, Chicago.

### Market and Newspaper Statistics—108 Cities

The limits of this column sometimes prevent our getting at important studies with the desired degree of promptness. This applies particularly to the report on "Market and Newspaper Statistics—108 Cities"—a 256-page study dealing with 406 daily and Sunday newspapers in 108 of the 111 leading cities of the United States, and the markets incidental thereto.

Made by individual agency media managers (snooty name for space buyers?) under the direction of the Committee on Newspapers of the American Association of Advertising Agencies and with the assistance of its Research Department, the purpose of this study is "to make more readily accessible and usable certain selected information regarding markets and newspapers in cities over 100,000 population." The information in question is designed to aid media buyers in determining: (a) the size and character of the markets, as indicated by population, also the number of English-reading families and income tax returns; (b) the cost of reaching these markets with newspapers, including comparisons between markets; (c) the differential between local and national rates, and (d) the amount of each medium's circulation obtained through special inducements to readers.

For the sake of uniformity, only the latest A. B. C. audit reports for 12-month periods prior to June 30, 1932, were used. Sources of all information are carefully given. The job appears to be well and impartially done. It is unquestionably a major work.

The first section gives the following market and newspaper statistics for the 108 cities in question: City, suburban and trading territory population; number of English-speaking persons and English-reading families (also by city, suburbs and trading territory), and income tax returns; the number of daily and Sunday papers, their total net paid circulation, their city circulation, the per cent of it which goes to English-reading families; the combined city and suburban with a similar percentage figure; the local rate and milline rate for 20,000 and 50,000 lines; the local lineage carried; the national rate and milline rate for 20,000 and 50,000 lines; the national lineage carried and (important) the percentage of national over local rates for both sized contracts. Finally, there is listed the amount and percentage of circulation obtained with premiums. Following these vital statistics comes a second section containing a detailed breakdown of each of the 108 cities, by papers.

A thoroughly valuable work that should be worth ten times the price of \$10 charged to non-members contemplating the use of big city newspapers. Address Frederick R. Gamble, A. A. A. A., Graybar Building, New York City.

### Newspaper Buying in Chicago Dept. Stores

Mountain-goating it back to newspapers again, but adhering to the ten-year comparison idea, we have room for a brief mention of the *Chicago Tribune's* recent booklet, "How Chicago Loop Department Stores Buy Advertising," which describes in various forms the expenditures of Chicago Loop department stores both collectively and individually. Following are the Loop stores listed: Boston Store, Carson, Pirie Scott & Company, The Davis Company, The Fair, Famous-State Stores, Hillman's, Leiter Building Stores, Mandel Brothers, Marshall Field & Company, Rothschild & Company, Sears, Roebuck & Company, Chas. A. Stevens & Bros., Warmington's and L. Weber.

First this booklet takes up the lineage in total Loop department stores in 1922 vs. 1932. By bar and line charts it shows what has happened to each specific paper as of all these stores. It also shows by bar charts the percentage of total lineage in each Chicago newspaper. From this it goes on to show similar figures and charts for





# ARE THEY LIST'NIN'—TO *YOUR* RADIO?

The collective ear of the Chicago American reader-audience listens to more radios than does that of any other Chicago Evening paper, for the Chicago American has more readers. How many among them listen to *your* radio, is largely dependent on how well you have told them about it in their favorite evening paper.

## CHICAGO AMERICAN

*a good newspaper*

*National Representatives:*

RODNEY E. BOONE ORGANIZATION





## Editorial Staff

RAY BILL, *Editor*  
A. R. HAHN, *Managing Editor*  
LAWRENCE M. HUGHES, *News Editor*  
M. E. SHUMAKER, *Desk Editor*

## ASSOCIATE EDITORS

D. G. BAIRD, *Detroit*  
L. R. BOULWARE, *Marketing*  
LESTER B. COLBY, *Chicago*  
MAXWELL DROKE, *Sales Letters*  
FRANKLIN JOHNSTON, *Export Selling*  
HERBERT KERKOW, *Industrial Selling*  
R. S. MCFADDEN, *Product Design*  
WALTER MANN, *Advtg. & Research*  
RAY B. PRESCOTT, *Statistical Analyst*  
C. R. TIGHE, *Radio Broadcasting*  
R. E. SMALLWOOD, *Premiums*

## Business Staff

RAY BILL, *President*  
PHILIP SALISBURY, *Vice-President*  
C. E. LOVEJOY, *Vice-President*  
M. V. REED, *Vice-President*  
FREDERICK G. FRANCIS, *Treasurer*  
R. E. SMALLWOOD, *Circulation*

Published by Sales Management, Inc.,  
420 Lexington Avenue, New York.  
Telephone: Mohawk 4-1760. Chicago,  
333 North Michigan Avenue. Tele-  
phone: State 1266. Santa Barbara,  
California, 29 East De La Guerra  
Street. Subscription price, \$4.00 a year,  
including Markets and Media Refer-  
ence Supplements; Canada, \$6.50.

# SALES *management*

Vol. XXXII. No. 13

June 15, 1933

## Contents

Advertising Agency Relations	
ANA Rejects Young Report; Starts Own Compensation Study .....	623
Compensation	
Why I'm 100 Per Cent Sold on Straight Commission .....	603
By Walter Drey, Walter Drey Organization, New York City	
General	
Cyrus Curtis—Gentle Salesman .....	614
By Lawrence M. Hughes	
"Wholesale" Hotel Rates Sought by National Employers' Group ....	624
Significant Trends .....	597
The Five Who May "Rule" Industry with Roosevelt .....	622
Your Industry and the New Government Control Bill .....	599
By Joseph Gooch, Jr., Joseph Gooch, Jr., and Associates, New York City	
Merchandising	
Bootleg-Proof Can Gives Oil Firms 35 to 50 Per Cent More Sales..	616
Calendar Is Basis of Paper Merchandising Plan .....	608
Product Design	
Design Ingenuity Turns "Waste" Materials into Items Buyers Grab..	606
By R. S. McFadden	
Salesmanship	
Ask for That Order! .....	605
By Herbert Kerkow	
Sales Policy	
Britannica and Guild Unite Sales Forces in 4-State Test .....	625
Kelvinator Sets a 19-Year Record in "Leadership" Sales Campaign..	620
Kreml Introduces Sister-Product through "Outsert" Sampling Plan..	604
"LMC," Too, Makes "Black 1932" Its Peak Dividend Year .....	610
Based on an interview by W. F. Weber with James S. Kemper, President, Lumbermen's Mutual Casualty Company, Chicago	
Sales Planning for July .....	612
Training Salesmen	
Our Rookie Salesmen Must Face Prospects in 3 Days .....	600
The third of a series of articles on "Man Power Problems in Selling" By Lawrence R. Hills, Sales Training Director, Rex Cole, Inc., New York City	
Plymouth's Sales Chief Tells His Men How to Double Their Incomes	602
Departments and Services	
April's Dominant Window Displays .....	632
Comment .....	630
Media and Agencies .....	628
Sales Letters .....	594
Survey of Surveys .....	590
Tips .....	636

# Sales Letters

BY MAXWELL DROKE

## "Try a Little Tenderness"

Because I used to tote a sample case myself, in the days of my youth, my sympathy naturally goes out to the salesman, in his correspondence problems with the Home Office. There are far too many men dictating letters and "pep" bulletins to salesmen, without the slightest practical knowledge of the trials and tribulations which beset a man on the road. The condition grieves me deeply. I have shed



Maxwell Droke

many a bitter tear, and worn out two portable typewriters, in protest of such a situation. But results from my crusade, up to the time of going to press, have been practically nil.

My current outburst is attributable to a very sad story, related to me by a young salesman in whom I have a keen personal interest. I shan't reveal any identities, of course.

Suffice it to say that the firm with whom this salesman is connected has a custom of making quarterly contracts with its customers for their requirements. No one seems to know why. Just an inherited habit. Well, at any rate, this young salesman had spent nearly a year trying to land a particularly tempting account. At last he seemed to be making some slight progress. He believed—had reason to believe—that if the Home Office would stretch a point and offer a six-months' contract for at least a portion of the prospect's requirements, he could "break in," and with a superior product, continue to hold the business. So one evening, forsaking the lure of Janet Gaynor at the corner picture palace, this salesman sat in his hotel bedroom and penned a three-page report to the Sales Department, outlining the situation in detail, and suggesting that for once it might be advisable to make a concession from the usual policy.

Six days later came an answer. Eagerly the salesman opened it and read: "Regarding your letter of the 7th: It is the policy of our company to make contracts on a quarterly basis. We are accepting contracts at present for the period ending June 30, and would like to submit a contract to this concern for expiration at that time. Kindly make this proposition to them on your next call."

Now, far be it from me to infer that the company is wrong in their established policy. I don't pretend to know anything about that. But I submit that this is a hell of a way to handle a salesman who is making a whole-hearted effort to get some business, in a period when orders are none too plentiful. The salesman tells me this is the first time he has made such a suggestion to his Home Office. Probably it will be the last time he takes the trouble to outline a special situation. I under-

## "Let Us Repeat"

Once again, we remind you that this department is always glad to receive *your* letters—sales, collection, routine, good-will, or any other variety—and to comment upon them with a personal letter of criticism. The service is free, gratis, and moreover, it doesn't cost anything. A stamped addressed envelope, enclosed with your offering, is an appreciated convenience, however.

stand, confidentially, he is considering an overture from a competitive concern.

\* \* \*

Mail-order men of my acquaintance are prophesying that the customary "Summer slump" will be much less pronounced this year than usual. A good many, indeed, anticipate a steady improvement in conditions through the Summer. This is cheering news when we reflect that Summer, as a rule, is a disastrous season for the mail-order men. Mail-order is perhaps the most sensitive of all the sales media, and there is no longer any question as to a definite "pick-up" in this field.

## Blessed Are They Who Pay

Bill Bailey, credit manager of the Congress Cigar Company's Detroit branch, has a deserved reputation for writing gracious and effective letters. So I wasn't surprised to learn that one of his recent efforts made a tremendous hit with the trade, and resulted in a dinner of appreciation to Bill, tendered by the Credit Men's Association of Detroit. Singularly enough, the letter was not a collection plea, but a tribute to those so-often-neglected folk who discount their bills! I know you'd like to read a letter that caused such a stir. So here it is:

"I have much correspondence with certain customers who are delinquent in making payments, but very little with those like (customer's name inserted) who discount purchases. Naturally the names most deeply impressed on my mind are those least desirable from the viewpoint of payments.

"Your account is so little a problem that, aside from the pleasure of accepting and passing your orders, and receiving the sure-to-follow-on-time check, I seldom have your name before me.

"And so I have been thinking what a genuine and different pleasure it would be to write a voluntary and grateful letter to a customer who discounts his bills, and makes no unjust deductions.

"This letter, then, is for the purpose of assuring you that accounts like yours are the bright spots in a rather thankless profession, and expressing our deep appreciation for favors granted.

"My sincere wish is that we may have more of your calibre on our books, although if all our customers were like you, the Credit Department would be discontinued, with a profit to the business—and the writer would be looking for a job!"

\* \* \*

Our nomination for the most tactless letter of the current year goes to the concern whose missive begins, "We know that orders are few and far between in your business at this time . . ." Someone has been snooping in our morning mail!

## Announcing Business Birth

The sweet June graduate who stands "with reluctant feet" is not, I fancy, a whit more nervous and self-conscious than the man who today takes his nerve in hand and launches a new business, upon the troubled waters of trade. W. R. Enochs, whose letters I have reproduced from time to time, has just made the latter move. I am particularly struck with his letter of announcement to prospective dealers:

"Dear Bill:

"If you will think back a few years to that memorable occasion when you made your first public appearance in a 'long pants' suit, you'll get a rough idea of the way I'm feeling right now.

"I suppose every man who launches a business enterprise experiences this sensation of mingled pride and awkwardness. It's all a bit strange, of course—new desk, new telephone, new secretary—but, thank goodness, one thing at least is old and time-tested—my business friendships.

"And it's mighty good to be able to write you in this informal way to announce the formation of the Enochs Manufacturing Company. Naturally, I think that we are going to have a line of physicians' furniture far and away better than anything the profession has yet seen. Into these new pieces I am putting a lot of ideas and innovations that have been developed from a close study of the field. Actually they are 'just what the Doctor ordered,' as the saying goes.

"Our samples are about ready now. We'll be able to send you a complete set of photographs and specifications within a few days—and a price list that will be a pleasant surprise.

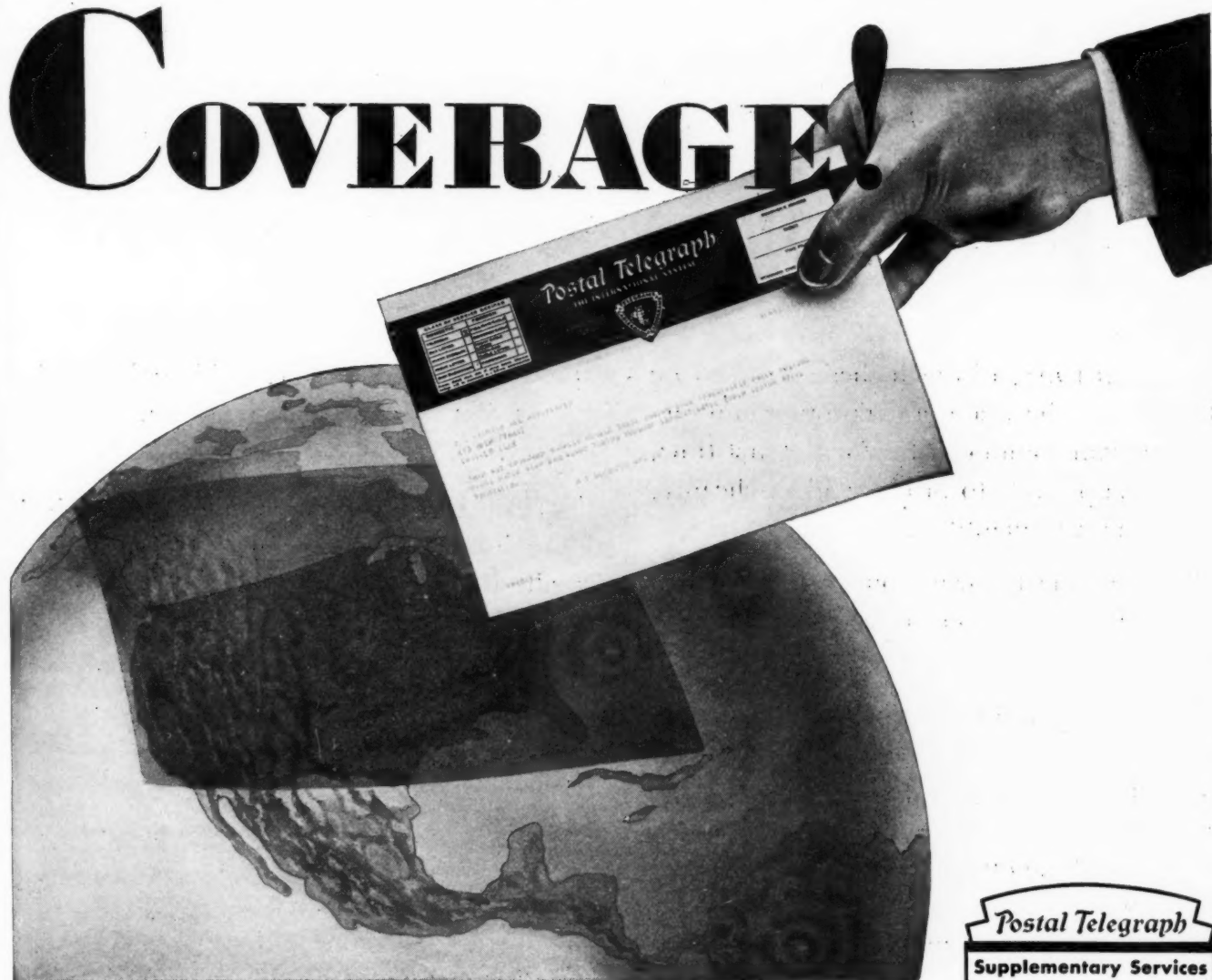
"And I am counting on greeting you personally on my next trip out your way."

\* \* \*

Possibly that correspondent who began his general letter, "We know that orders are few and far between in your business . . ." would have hit eight men in ten. But this letter was delivered to a concern that is working two shifts to keep pace with the demand for a popular specialty. I chanced to be in the office when it arrived. And you should have heard that sales manager rave concerning the "dumbness" of correspondents. Such sweeping generalizations are always likely to get us into trouble.



# COVERAGE!



## Postal Telegraph covers this country

● The Post Office Department maintains some 50,000 Post Offices in the United States. But Postal Telegraph accepts messages for delivery in more than 70,000 communities.

Postal Telegraph maintains its own complete commercial telegraph offices in those cities which account for 95% of the telegraph traffic. In small cities, one office; in metropolitan centers, hundreds. Moreover, every office is manned entirely by Postal Telegraph employees and linked directly with Postal Telegraph circuits.

Our facilities are placed where they can serve best in speeding the messages of American business—where they can provide the most accurate, dependable, fast communication that telegraphy can offer. We stretch our lines where business wants them, open our offices where business can use them.

Naturally there are thousands of small communities where no telegraph company maintains an office. But for each and every one of these places, Postal Telegraph ac-

cepts your messages and through its connections transmits them quickly and accurately.

Furthermore, Postal Telegraph service is not confined to the United States. It offers you efficient, economical message communication to the entire world...via the coordinated telegraph, cable and radio facilities of the great International System, of which it is a part. No matter whom your message must reach, nor to what part of the world it may be addressed, Postal Telegraph and its affiliated communication companies always see your message through.

### Postal Telegraph

#### Supplementary Services

Air Express Pick-up and Delivery  
Air Travel Reservations  
Bus Express Pick-up and Delivery  
Bus Travel Reservations  
Circular and Sample Distribution  
Errands and Package Delivery  
Gift and Purchase Service  
Marine Reports  
Money Order Service  
Personal Service Bureau  
Theatre Ticket Service  
Telegrams Direct from the  
Highways via Standard Oil and  
Colonial Beacon Gas Stations



● Postal Telegraph is the only American telegraph company that offers a world-wide service of coordinated telegraph, cable and radio communications under a single management.

### THE INTERNATIONAL SYSTEM

## Postal Telegraph

Commercial  
Cables



Mackay Radio

All America  
Cables

# PADLOCKED!

## *for Brewing* BICARBONATE OF SODA

IN 1791, a French chemist named Le Blanc found the secret of making sodium carbonate from common salt. For the first time, it became possible to produce alkali cheaply, in commercial quantities.

Thrilled, the discoverer put his life's savings into the construction of a manufacturing plant.

But hands soon to be bathed in a royal family's blood were raised in conservative disapproval. The Committee on Public Safety investigated. It condemned the large scale production of sodium carbonate as pernicious to the welfare of society. It confiscated Le Blanc's establishment and the first fruits of his efforts.

Le Blanc, himself, broken by his misfortune, finally was granted asylum in the government poorhouse. There, unable to face the obstinacy of the world, he took his own life.

YET, Le Blanc's *discovery* did not die. The international alkali industry has survived revolutions, poorhouses and suicides. Probably every reader of this page has baking soda in his kitchen and bicarbonate in his bathroom.

It is that very persistency of young, liberal aggressive thinking that guarantees that the world will continue to go on.

In the age-old conflict between flint-and-steel and matches, wooden ships and iron, brooms and vacuum cleaners, tradition-for-

tradition's-sake eventually yields to the youthful concept that knows no tradition.

BECAUSE Liberty magazine is published by such a youthful generation . . . because it is editorially devoted to the liberal-thinking viewpoint in our population . . . Liberty is, we believe, rooted deeply in the most irresistible current of the life of the nation.



HON. STEPHEN M. YOUNG  
U. S. CONGRESSMAN FROM OHIO

CONGRESSMAN YOUNG WRITES TO LIBERTY:

"SOME very important articles have been printed in your magazine, and your editorials are always exceedingly well worth reading. It is my opinion

that there is a great field for a liberal weekly selling at the low price of Liberty. I know of no magazine with the opportunity to perform real and needed public service that is afforded you by the continuance and expansion of your present editorial policy. More power to you."

ELLSWORTH FARIS, Ph.D.  
CHICAGO, ILLINOIS

Professor of Sociology, University of Chicago  
Editor, *American Journal of Sociology*

PROFESSOR FARIS WRITES TO LIBERTY:

"THERE is no question of the influence and importance to be exerted by an aggressive liberal magazine that can be widely read."



NORMAN B. BARR, D.D.  
CHICAGO, ILLINOIS

Pastor, Olivet Institute Church, Chicago. Author: *A Catechism of the Church; Plain Talks to Young Folk; The Gospel For An Age of Anarchy.*

DR. BARR WRITES TO LIBERTY:

"YOUR plans are worthy and promise success. If I am not mistaken, we are entering on an era when liberalism will be more powerful than at any other time in our history."





# Significant Trends

As seen by the editors of *Sales Management* for the fortnight ending June 15, 1933:

• • • Business at 69.5 in May (Irving Fisher average) was 45.5 per cent below the May normal, as compared with 47.3 per cent in September of last year, which was the most favorable month during the Fall advance. For the first time since 1929, the current level shows a favorable comparison with the year ago figure, being up by 14.7 per cent.

• • • There is no question about the statistical position of business having improved beyond expectations and on a broad scope. It is probably inevitable that there will be some kind of a Summer slump, but with buying still on the hand-to-mouth basis it is unlikely that the slump will exceed the normal limit of about 4 per cent.

• • • The improvement in business sentiment has spread through to where it is more clearly evident in retail buying and in many types of consumer purchasing, but the average business still is proceeding with extreme caution in making commitments that call for any material increase in disbursements.

• • • The attitude of many business men seems to be, "this looks all right so far, but I am going to wait and see." This highly conservative attitude is apparent in the lack of more aggressive selling and sales promotion.

• • • We think that this is *the* time to make a bold bid for business. The news reports and the government figures show that more money is available for spending—the farmer has more because the prices of his crops have shown a big jump. The average factory worker has had an increase in the hourly wage, or the number of hours he is able to work each week, or both, and as we go to press, Mr. Douglas, the Director of the Budget, announces that there has been a decrease of 1,400,000 in unemployment. And people are spending the money they make. Millions have had such disastrous experiences with their savings that they now say, "I'm not going to get caught again. I'll spend the money now and make sure that I get some pleasure from what I earn."

• • • The passage of the National Industry Recovery Act should give a marked stimulus to advertising and sales promotion of all kinds, as Joseph Stagg Lawrence, editor of the *Econostat*, points out. The Act means that hereafter selling will be done not on the basis of price cutting, but rather on intelligent and intense exploitation of the market for any product, with prices fixed maximum and minimum and principal cost elements likewise fixed. The rewards of competitive efforts will go to the producer who is most successful in developing his markets. Advertising in the future will have an entirely new value and will become absolutely indispensable in the development of new business and the retention of old business. For a clear-cut analysis of the next year's advertising job, we refer readers to the splendid article by Howard E. Blood, president of the Norge Corporation, in the issue of June 1, page 557.

## Prices

The Irving Fisher all commodity index of wholesale prices reached 62.1 of the 1926 normal on June 5—a point 12.9 per cent above the March low. The question that remains of importance in the minds of the public is how and to what extent the administration intends to push the rise in price level. The price average at present is 11 per cent below the 1913 level. Until business activity crawls up toward normal, a further rise in prices will depend on the inflation needle and speculative buying.

• • • The purchasing power of the wholesale dollar is now down to 161 per cent, which is a drop of 20.7 per cent from the high point reached in March.

• • • The question is asked frequently whether the farmer will profit materially by the higher prices until the 1933 crops are harvested. Neither the Government nor anyone else seems to have any exact figure on the amount of cotton, wheat, etc., held by the farmers, but a recent Washington estimate indicates that the total is large. The farmers in the Dakotas and Minnesota alone were supposed to hold in their barns on the first of April some 83,000,000 bushels of wheat, and the grain and cotton cooperatives are now busy marketing their surplus at the higher prices.

• • • Sales reports from the country districts on automobiles are even better than from the cities, and from detached points we get reports that farm equipment sales in the last two months have exceeded the entire year of 1932.

• • • Good news appeared in the petroleum industry last week for the first time in some months. Crude oil production was curtailed slightly; gasoline stocks dropped moderately, and gasoline prices were advanced.

## Production

May production of motor vehicles was estimated by the N. A. C. C. at 220,000 as against 189,000 in April and 192,000 a year ago. Production in the Detroit area is now showing a seasonal topping off to permit retailers to work down their inventories.

• • • Automobile production figures since March 18 have shown tremendous gains. Cram's Automotive Reports give the following production figures:

			Gain Over March 18 (Per Cent)	
March 18,	Week of		10,000	...
March 25,	" "		20,000	100
April 1,	" "		25,000	150
April 8,	" "		30,000	200
April 15,	" "		40,000	300
April 22,	" "		45,000	350
April 29,	" "		50,000	400
May 6,	" "		51,000	410
May 13,	" "		51,500	415
May 20,	" "		55,000	450

● ● ● Bituminous coal sales, which are a fairly good barometer of industrial activities, have continued to run ahead of a year ago. Inventories in the hands of consuming industries on May 1 were at the lowest point in several years.

● ● ● Lumber production has continued to advance, and unfilled orders are 38 per cent ahead of a year ago. The backlog is equivalent to 20 days of capacity production.

● ● ● The steel industry has currently operated at between 40 and 47 per cent of capacity, which is double the rate in the same period last year, and compares favorably with the 1931 period. Operations have expanded for ten consecutive weeks.

● ● ● Electrical production is likewise continuing ahead of last year with the most striking gains being registered in New England and the South.

## Distribution

According to R. L. Polk & Company's preliminary estimates, automobile sales in May exceeded those of

the previous year for the first time in four years, with a total of 165,000 units against 120,000 in April, and 131,000 in May, 1932. From present indications sales in June will compare favorably with May, and the industry expects the buying peak to be reached the first part of July.

● ● ● Sales of the Electric Refrigeration Bureau, covering household models only, reached 83 per cent of quota in the first four months. States where sales ran ahead of quota, ranged in the order of largest gains, were Alabama, South Carolina, Maryland and the District of Columbia, Missouri, West Virginia, Virginia, Texas, Oklahoma, North Carolina, New Mexico, Arizona, Colorado and Kentucky. Note the preponderance of southern states.

● ● ● Readers of this column may remember that we discovered several months ago a correlation between business improvement and the variations in wholesalers' sales and stocks on hand. Starting around the first of the year, stocks on hand decreased more rapidly than sales—thus leaving a vacuum which we predicted would be filled in the course of time. From the Federal Reserve banks we get the following picture for the month of April—comparisons are for the month of April and the same month of last year. The table is fragmentary because of the lack of uniformity in reports from the various districts, but it is apparent that sales improved over stocks on hand in two cases out of three:

F. R. District	Groceries		Drugs		Hardware		Shoes		Dry Goods	
	Sales	Stocks	Sales	Stocks	Sales	Stocks	Sales	Stocks	Sales	Stocks
Chicago .....	-12 %		-18 %		-14 %		-3 %		-9 %	
Richmond .....	-4.8	-14.9	-3.8		-4.9	-15.7	+21.4	-24.8	+12.8	-14.1
Cleveland .....	-13.7		-24.2		-9.9				-12.7	
Minneapolis .....	-3	-8.0			-19	-14.0	+8.0	-14.0		
Kansas City .....	-7.3	-17.1	-16.1	-20.2	-11.4	-16.1			-25.0	-14.8
St. Louis .....	-7.0	-20.0	-13.0	-12.0	-10.5	-10.0	+12.0	+24.0	-5.0	-13.0
New York .....		+0.1	+12.1	-25.1	-18.0	-21.2		-22.7		
Philadelphia .....	+7.6	-14.0	-16.8	-2.3	-26.9	-14.1	-28.1		-20.6	-20.5
Atlanta .....	-1.2		-9.5		+10.3				-6.2	
Dallas .....	-3.6	-12.0	-18.1	-16.5	-5.2	-15.4			+1.8	-20.2
San Francisco .....	-10.0		-22.4		-11.3		+5.2		-6.2	

● ● ● With eight department stores in Metropolitan New York exceeding their 1932 figures, retail store sales in May showed the best comparative monthly record in two years, according to the New York *Herald-Tribune's* monthly survey of retail shops, covering twenty department stores and women's specialty shops in New York, Brooklyn and Newark. Dollar sales of the entire New York Federal Reserve District were down about 3 per cent from last year.

● ● ● Better agricultural prices and increased employment and wages in the industrial sections have caused extraordinary rebounds in Montgomery Ward sales. The May total was 6.5 per cent greater than last year, and was the first gain in monthly sales since June, 1930.

● ● ● Wage increases of 5 and 10 per cent may not sound like very much, but we have talked in the past few days with a number of people who have received such increases, and they are both grateful and hopeful. Storekeepers report an automatic pick-up in sales wherever increases have been widespread—such as in Detroit, where all members of the General Motors family have slightly heavier pay envelopes.

● ● ● Since the 18th of March car loadings have increased from 50 per cent of the ten-year normal to nearly 65 per cent, and now are running definitely above last year.

## Potpourri

The railroads are postponing action on passenger fare reductions until the Interstate Commerce Commission decides the pending freight rate case. At a recent meeting of the Western railroad executives it was reported that a majority declared for a 2-cent rate for coach travel and for a 3-cent a mile rate in Pullmans, with elimination of surcharges.

● ● ● Failures during May declined to a four-year low. The total of 1,909 compares with 2,758 in May last year.

● ● ● The International Economic Bureau has been making long-range studies of weather predictions, and believes that in the late Spring and early Summer there will be unseasonably high temperature and drought which will materially change the outlook for production of foodstuffs and cause a very marked increase in prices. Throughout the depression weather and soil conditions have fought a winning battle against the economic price level, and the world has had bounteous crops which further increased the surplus and lowered the price level.

● ● ● The aggregate of all stocks listed on the New York Stock Exchange is up 13 billion dollars since the first of the year, and the current total valuation of 32.4 billions is the highest level since November 1, 1931.



BY  
**JOSEPH GOOCH, Jr.**  
*Joseph Gooch, Jr., and  
 Associates,  
 New York City*



For the past two years Joseph Gooch, Jr., has been engaged in trade association activity. For a time he was president of one industry institute, then he formed his own company to do counseling work for several trade groups. He would rather express this, he says, as "working with groups in the insuring of profit, based on a code of sense rather than ethics." He knows the manufacturer's point of view, for he once took over a company that had been in the red for twelve years, pulled it out, paid off \$300,000 worth of debts, and showed the stockholders a profit. It took him nearly three years.

# Your Industry and the New Government Control Bill

**T**ODAY a thousand promoters are clamoring to get aboard the Government "partnership" band wagon. It looks like easy job—easy money—easy come—easy go. Issues are confused. Situations that require much thought are hurried over lightly. The woods are filled with smart guys who will tell you just how they can pull the wires to open up a vista of sunshine and roses for the particular industry with whom they are talking.

Some manufacturers are letting themselves into a badly stymied situation.

Are trade association men coming back into their own with a bang? *Business Week* (May 17 issue) says:

"High-pressure salesmen who have made fat secretarial jobs for themselves, officers who are merely popularity-contest winners, will make poor partners in that partnership between government and industry of which Washington is now talking."

Unquestionably a new kind of man-

agement, thinking, breadth of understanding is imperative. Washington, too, is very conscious of this need.

The Government expects the industry to work through a trade association. This means management that the Government will accept. This thing is a job and a major one.

There are five broad brackets in this Government "partnership" program—

Hours  
 Wages  
 Production  
 Practices  
 Price Levels

The first two—hours and wages—most manufacturers are fearful of, but they do not need to be if the course is intelligently charted.

The third bracket—production—looks fine from the standpoint of most manufacturers as regulating their competitors but not themselves.

The fourth and fifth brackets—practices and price levels—mesh better with the minds of most manufacturers. This is natural. These last two brackets are the ones that can be more

easily moved into and in which the first clarifying work can be done from the view of the industry. An industry may find that cleaning house within these two brackets so clarifies the situation that hours and wages take care of themselves (maybe production also) and perhaps if the facts are clearly presented the Government will agree.

This "partnership" plan is no Sunday School, "good boy" or Pollyanna program. The history of most depressions shows that when the sun burst through and the up-grade appears, everybody puts on steam, re-gears and goes out to "get" his. Competition in '33, '34 and '35 will probably be more ruthless than anything we have seen.

This "partnership" plan cannot bring all goods out of the same mold or deliver all goods by the same trucks, nor can it rob any single manufacturer of an honest, competitive alertness, keenness of sales organization, faster merchandising or anything

(Continued on page 626)

# Our Rookie Salesmen Must Face Prospects in 3 Days

**I**S the short sales training period preferable to a long one? Rex Cole, Inc., believes it is and puts the new salesman into the field, ready for his first cold canvass call, after only three days' training.

Under present business conditions, many companies must get the new salesman into the field quickly. Other companies simply cannot afford to spend too much money to train the new salesman. For these companies the sales training must be intensive and designed primarily to enable the salesman to overcome the natural resistance he is bound to meet his first day out.

BY

LAWRENCE R. HILLS

*Sales Training Director,  
Rex Cole, Inc.,  
New York City*

on GE, Mr. Salesman. I admit yours is the best, only I'm not buying just now. Come around in three months."

To companies who must train their salesmen in a few days, at a complete cost of less than fifty dollars a man, as Rex Cole, Inc., must, the following explanation of the Rex Cole procedure

handle sales and rentals; commission basis; protected territories. See Mr. Quinn, Monday morning, Rex Cole, Inc."

To understand how this same principle applies to the securing of all kinds of salesmen, consider the following advertisement which brought in 43 men from one newspaper, 14 of whom we selected to train:

"Rex Cole, Inc., *World's Largest Distributors of General Electric Products*, announces the promotion of fifty-five men to positions of Field Supervisors. This releases fifty-five protected territories in Brooklyn,

---

## • • • • • The Third of a Series of

---

That is how Rex Cole, Inc., trains the new salesman; that is why 85 per cent of the three-day training period is devoted to the selling process and only 15 per cent to the products themselves. This procedure may sound like heresy to some sales managers who give the new salesman several days of discussion about the product, winding up with a ten-minute pep talk about selling in general—only to turn him loose into the field with a head full of facts but with little understanding of the selling process. At Rex Cole, Inc., the new salesman learns only one story about the product in the training period, the economy story. The four remaining stories—those of health, comfort, pride and satisfaction of affection—are left for later, to be learned on the salesman's own time and initiative.

### \$50 Per Man

True, these subsidiary stories are important if the salesman is to become a real producer, but more necessary than all the available information about the product is the correct selling attitude. What good is a head full of information if the salesman hasn't learned how to keep control of the prospect long enough to give him a chance to put over this information? What good are walking GE information bureaus if they don't know how to close, or if they let the prospect short-cut them with "You don't have to sell me

may be of value. Let us follow the new Rex Cole salesman through the complete process of advertising for, selecting and training the new salesman.

First, Rex Cole, Inc., secures new salesmen primarily through want advertisements in daily and Sunday newspapers. In writing these advertisements, we try to intrigue a prospective salesman's curiosity first and then give a legitimate reason for asking for his services. This breaks a standard rule of copywriting which believes that the short, simple statement is the most effective. Such a statement would say: "Rex Cole, Inc., has six openings for water cooler salesmen on commission." To that type of want advertisement not one applicant would reply. The reader may feel that because he has never sold water coolers he might fail. Or he has seen so many water coolers around that he can't quite picture their sales possibilities in his mind. Certainly he has no curiosity about them.

### Putting the "Pull" in Ads

If, on the other hand, we write the advertisement to comply with the principles set forth in the paragraph preceding, we receive from twenty to thirty inquiries. Here is the way such an advertisement would read: "GE is now bringing out a new office specialty which already has immediate acceptance; two men will be employed to

Queens, Bronx and Staten Island for men sufficiently industrious to learn how to demonstrate and close orders for General Electric refrigerators, ranges, dishwashers, home laundry equipment, cleaners, sewing machines and other products (now in development) on commission ranging from 10 per cent to 25 per cent.

"Full commission will be paid you on every sale of every product in your territory.

"If you want a permanent position as electrical expert for 2,000 families and can appreciate what the General Electric name behind you means, see Mr. Hills, Monday morning, 2nd Floor, Rex Cole, Inc.," etc.

### Weeding Out Prospects

Once secured, sales applicants are put through a process of elimination. On application, each prospective salesman is asked to read a five-page message that tells him the whole story of what Rex Cole will do for him and what he must do for Rex Cole. By doing this we automatically have some eliminate themselves. If after reading this message the salesman is interested, the training director talks to him, trying to find out how interested the salesman really is. This is important because there are many who run from company to company not really certain what they want to do. This talk is intended to paint the picture rather



black, just to make sure that the man does not expect too great a result without his quota of hard work. If this personal grilling proves the applicant suitable, he is asked to fill out a two-page questionnaire. This questionnaire is gone over with him, to find out more about his past jobs, why he left them, his ability to make friends as shown by his club and lodge affiliates, etc. In all of this personal questioning the training director follows only the one rule, that *there is no rule* in selecting salesmen. Our experience has taught us that beyond certain obvious qualifications of voice, dress, appearance and personality, you cannot select the potential salesman. All we know is that one out of five men trained will become a real producer, so we proceed on that average and find it pays us.

If the training director thinks the applicant is up to standard, he sends him to the branch manager under whom he will work. This gives the

**Monday, 1 P.M. Registration.** Mutual introduction. Short talk by instructor on such practical details as care of institute room, washroom facilities, parking cars on street, light lunches, drinking plenty of water. Quizzes men as to most important thing they read in the newspaper one week ago; shows how time, formerly wasted on such reading, can now be used to advantage in learning the selling points from G. E. literature, hand books, etc. Illustrates the "learning process." We learn what we do, nothing else. He compares learning to play baseball with learning to sell G. E. products.

**1:15 P.M. Questions.**

**1:20 P.M. The approach.** Instructor conceals himself in institute closet and lets each man ring doorbell, as he would in calling on prospect in the field. Instructor, simulating housewife, slams door with vehemence, thus getting a laugh. Continues the process until all have rung bell, or a stu-

dent (by chance) hits on a suitable approach. Instructor, after each approach, comes out of closet and tells how "she" feels about canvassers, etc.

Instructor then gives blackboard demonstration of whole selling process.

He goes first into *Buying Motives*. He questions the men as to why they buy suits of clothes, diamond rings, life insurance or lottery tickets, and shows how they were influenced by their fundamental instincts; that satisfaction of personal wants means the comfort and convenience motive; satisfaction of ego, the pride motive; satisfaction of love instinct, the affection motive; yielding to fear, the protection and safety motive; satisfaction of the hoarding instinct, the economy motive. He then shows how a salesman fails to make progress when he attempts to use the known, discounted motive in his selling talk. He shows the men why they must work upon the

(Continued on page 635)

## Articles on "Man Power Problems in Selling"

branch manager the opportunity to approve of him. This last step of elimination is important because the branch manager must personally like and believe in a man if he is going to get the best out of him. If the branch manager approves the sales training director's choice, the applicant is ready to start his three-day training, which usually takes place the first three days in the week. This training is typified by the doorbell, which is actually fitted into the training room and which is used consistently throughout the training period. This doorbell is emphasized because we believe that the learning process is not a "passive process of absorption," but is rather an "active process of reaction." In other words, sales applicants will learn only what they *do*, so we have them *doing* throughout the training period. For instance, we advance no selling theory unless we can immediately "set" it by a practical example. We use pictures rather than words, wherever possible, because they, too, show action, or doing. Even on so small a detail as personal appearance, we find that a lecture on neatness is not half as effective as a correct example set by the training director in his own grooming.

### The Training Program

How the three-day training is handled is shown in the following outline:



Mr. Hills, the Rex Cole training instructor, illustrates for a potential salesman how food costs decline as the size of the unit is increased; later they will use this "economy" argument in showing the housewife how an electric refrigerator will pay for itself.

Rex Cole, Inc., world's largest distributors of General Electric refrigerators, believe in theoretical sales instruction, but they also believe that the way to learn to swim is to get into the water. Many concerns that do not have the resources or the time to give new men long preliminary training will be interested in the program described here. Its aim is to get men into the field quickly and economically.



# Plymouth's Sales Chief Tells His Men How to Double Their Incomes

(The following message was sent recently to all Plymouth salesmen by H. G. Moock, General Sales Manager, Plymouth Motor Corporation. He sets forth a simple formula by which any Plymouth salesman can multiply his yearly income by two. Mr. Moock's plan is simple, involving planned work, conservation of time, plenty of canvassing, and frequent demonstration of the product. We are quoting the statements directly, in the belief that sales managers in other specialty lines might like to frame some similar message to their own men in the field.—THE EDITORS.)

**T**O all Plymouth salesmen:  
Do you want to double  
your income?

Of course you do.  
Every Plymouth salesman who is  
worthy of the name wants to  
double his income.

All right. I will guarantee  
that you can double your income  
if you will do what I tell you  
to do.

It will mean hard work. Any-  
thing that is worth accomplish-  
ing calls for a lot of hard work.  
But I know you can do what  
other salesmen have done, and  
many have doubled their in-  
comes by using this plan.

Here is the schedule. Fol-  
low it closely, every day, and I  
will guarantee that you will  
make twice as much money as  
you are making now:

1. Prepare all details for first  
morning calls the night before.
2. Attend to personal affairs



Harry G. Moock

—shaving, shine, breakfast,  
morning newspaper, errands—  
before 8 a. m.

3. Arrive at salesroom by 8  
a. m.

4. Attend morning sales meet-  
ing when house rules require it.

5. Get under way at 8:15  
a. m., to make calls planned the  
night before.

(The following may be ar-  
ranged in the order that best  
suits your temperament.)

6. Make five or more calls on  
satisfied Plymouth owners, with  
a definite message. Ask each one  
this question: "Whom can you  
recommend to me that should  
own a Plymouth Six? And  
please give me a testimonial let-  
ter or a note on the back of  
your personal card."

7. Make five or more calls on  
live prospects on your personal  
prospect list.

8. Make five or more straight  
cold canvass calls on anyone in  
territory you prescribe, preferably  
in a selected zone or building.

9. Appoint daily not less than  
one new scout or "bird dog"  
who will tip you off to prospec-  
tive buyers, and to whom you  
will pay a fixed sum when sales  
are made.

10. Take several four-cylinder  
car owners for demonstrations,  
permitting them to drive the  
Plymouth Six.

11. Take not less than five  
owners of cars purchased two or  
more years ago for demonstra-  
tions, permitting them to drive.

12. Ask for the order after  
each demonstration and presenta-  
tion of sales information.

13. Write ten postal cards  
daily, preferably with pen and  
ink, to a selected list of people.  
Each to contain a short message,  
in your own language, of price  
and advantage of the Plymouth  
Six. Sign your name, with your  
address and telephone number.

14. Write ten letters to pros-  
pects once each week, containing  
information that has sales ap-  
peal, and signed by you. (These  
can be typewritten and should  
be prepared for you by your  
dealer-employer.)

15. Telephone five people  
every day and ask for the priv-  
ilege of demonstrating.

16. Make some personal form  
of acknowledgment for every  
sale made, either by letter or  
personal call, preferably the lat-  
ter.

17. Maintain a close, so-  
licitous follow-up with each  
new owner after a sale has been  
made, for information as to the  
owner's satisfaction with the car  
and to ask for prospects.

18. Use a personal selling  
card on which is printed, in ad-  
dition to your address and 'phone  
number, information about price,  
terms, equipment, etc.

Make a definite promise to  
yourself to stick to this schedule  
regardless of how many hours a  
day it takes.

Specialize on certain classes of  
people as nearly as your house  
permits.

Sell yourself first on the  
house, the product and this plan;  
then sell your wife (if you have  
one), your sister or your mother,  
and sell the boss on the plan,  
of course.

A 30-day trial, with no com-  
promise either to yourself or the  
plan, will convince you that it  
doubles your income.

Finally, you must *want* this  
increase—otherwise forget it.

—H. G. M.

Here's one of the best discussions of the advantages of a straight commission compensation arrangement for salesmen that Sales Management has ever printed. Many readers will disagree with Mr. Drey. Any who do are cordially invited to express their views. We'd like to hear from more "pros."

# Why I'm 100 Per Cent Sold On Straight Commission

IF the depression has taught anything, it has taught that the salaried sales force is doomed and will be replaced by the commission selling organization. There are only two possible exceptions: First, where the sale involves long negotiations, the employer should divide the risk and give the salesman a minimum drawing account (only enough to live on and be presentable), with a commission on sales made. Second, with products where the sale involves either servicing afterward or long education beforehand, the salesman should receive a salary for the service and educational work and a commission for his actual sales. All other selling, I believe, will eventually become commission selling.

## When Salaries Are Chains

The salaried sales force is an outgrowth of the old feudal system under which the lord guaranteed life protection to his lieges in return for part of their crops. In pre-depression business, the salesman was, in effect, guaranteed a permanent livelihood in return for one-half of his working hours. But this depression has shown that business is not permanent.

Just as the laborer some years ago threw off the quasi-feudal yoke of the guilds and accepted the premise that he could fire his boss just as easily as the boss could fire him, so will the salesman come to realize that no corporation is *ipso facto* permanent, and that, by working on commission, he can fire his boss as easily as his boss can fire him. This viewpoint enabled the laborer to agitate for a standard wage. On the other hand, the arrangement of impermanence pleased the employer because it did not obligate him. While salesmen will probably never unionize, they and their employers will learn that both will gain when the salesman's remuneration is

fixed by commission and not based on the paternal system of salaries.

While it is quite obvious that the commission system has the great advantage of favoring the strong salesman, it has many advantages for his employer. Because it favors the strong salesman, the commission system proportionately benefits the employer, who too often permits his humanity to coddle the weak sister.

## Orders Make the Salesman

Putting the sales force on commission eliminates the paper shuffling, dabbling, "executive" work in the sales force that sounds necessary but secures no orders. I have found that whenever a salaried salesman's sales fall off he tries to justify his pay by creating jobs for himself. He makes good will calls, he does special services for possible future customers, he gets lots of "sales ideas." In short, he does everything but get business. The commission salesman, on the other hand, never can try to justify his job by anything but orders. He makes good or makes room, and he doesn't even take up the sales manager's time. In a well-run commission selling outfit, the salesman either stays in the producer class, returns for retraining, or eliminates himself with a minimum of supervisory time expended.

The commission sales force can take the shock of poor business conditions more easily than the salaried sales force. The commission salesman doesn't look to the company to support him during bad times. He looks only to himself. The salaried salesman inevitably expects the company to bear the burden when it is least able to. And he has a right to, because the company probably made a disproportionately high profit on his work when times were booming. But this attitude has a poor psychological effect. Talk to salesmen these days

BY WALTER DREY

Walter Drey Organization,  
New York City



Walter Drey has every reason to believe in the theories he discusses in this article. In the summer of 1932, when everything was bumping along on rock bottom, he founded his company to sell Monarch typewriters to school children as an educational aid. Since that time he has built sales up to the place where he is selling 800 machines a month. A complete story of his marketing plan was printed in SALES MANAGEMENT for April 1, 1933. The most unique point about it is that everybody in an organization of 400 people, with the exception of six executives, works on straight commission.

and you hear them wondering when business will improve again. Many of them are merely marking time at their company's expense. That attitude is responsible for so many salesmen pulling their punches these days.

Let me take a case to illustrate this point. A salaried man had been making \$10,000 annually back in 1929. This year his salary has been reduced to \$6,000. With this change something happens to that man psychologi-



cally which definitely weakens his sales ability. His reduction is a step down, because he has been brought up in the tradition that if he makes \$5,000 he is in one stratum; if \$7,500, he is in a higher "social" scale, and at \$10,000, he's a "big shot." Explaining that \$4,000 cut from \$10,000 to the wife is pretty hard. On the other hand, the commission salesman's earnings have always been flexible. Less earning power to his wife doesn't mean shame in the same sense as it does with the salaried man. The salaried man seems to lose caste when his salary goes off. He is set back. He and his wife seem to accept the inevitable. With the commission salesman, the wife is less likely to regard reduced income as inevitable—she often prods her husband to greater efforts and finds other means of helping him.

#### Commissions—Flexible, Cheap

If the commission is properly figured, the commission system is probably the cheapest form of selling because, over a period of years, it automatically keeps costs in proportion to the sales made. True, it is a check-mate to the greedy employer, but that type of individual should be penalized anyway. Beyond the obvious equalization of sales costs made possible by the commission system, there is another advantage. When we put our sales managers on commission, it was surprising to see how all those "executive duties" which had taken up so much time seemed to disappear. Functions that these sales managers had regarded as important suddenly were abandoned, and we seemed to be getting more sales than ever without all the red tape we had before.

Nor is the commission system an inflexible one. In our own organization, for instance, we worked out a promotion plan that brought us many leads. Our general sales manager, Miss Edith Gordon, took a set of these leads and sold them. In the course of selling them, she discovered that the sales story could be simplified; in fact, the whole job of getting an order could be done in twenty minutes. Because sales were easier with the help of this promotion plan, and could be made quicker, we reduced the commission of our salesmen 20 per cent to give us the money with which to continue the promotions. But when we cut commissions, we had to sell the organization on it.

Which brings me to the point that the commission selling system puts the real burden on sales management. We had to show the salesmen how they could make more money on less commission *with* promotion than they

made with a higher commission *without* promotion. And that wasn't just a case of telling the force. They had to be shown. We did this by taking the sales managers into our confidence and letting them see for themselves how rapidly and easily they could sell the product with the new sales story and leads. We had a little private campaign for a few days, during which two of the sales managers phoned the general sales manager to tell how they closed an order in 19 and 18 minutes, respectively, one and two minutes faster than their general sales manager did. Obviously, the sales managers were being sold, not by our talk, but by their experience. Once this was accomplished it was comparatively easy to get them to convince their individual squads by the same method. Not only did we hurdle a reduction in commission successfully, but we

started the salesmen off with new enthusiasm.

Putting the burden on sales management is good for any company. In effect, it means that the general sales manager shall expect nothing of the salesmen that he couldn't or wouldn't be glad to do himself. Thus any job the management wants the salesmen to do must be practical and workable. Gone is the day when the management can sit in the skyscraper office and arbitrarily decide there is a market at such and such a place among certain wage groups. The management has to go out (in our organization at least), and find out first by actually doing the selling itself whether or not the "grand idea" evolved amid the smoke of Corona-Coronas across a beautiful director's table, underneath the benign shadows of the advertising agencies' (Continued on page 629)

## Kreml Introduces Sister-Product through "Outsert" Sampling Plan

**R.** B. SEMLER, Inc., manufacturers of Kreml hair tonic, a well-established item, decided six months ago to launch a second product, Kreml shampoo, and achieved complete distribution practically overnight without benefit of extra advertising or sales appropriation. With a minimum of extra expense, Kreml shampoo is already a profitable item, and R. B. Semler, president of the company, reports that the majority of orders for Kreml hair tonic are now accompanied by an order for the new product.

Mr. Semler explains that they decided to cultivate the consumer market for the shampoo before expending sales effort and money on inducing their retail outlets to handle it. They knew that Kreml hair tonic had a loyal repeat-order following (Mr. Semler showed your reporter a file of over 7,000 unsolicited testimonial letters from devoted users of the product), and that their best bet was to extend this existing faith in Kreml to the new offering. What was the best and cheapest way to reach and interest present users of Kreml in the new product?

Kreml hair tonic is packaged in a bottle, without a carton, so insert advertising was impossible.

By way of testing the practicality of the method, R. B. Semler set aside 30,000 bottles of Kreml hair tonic destined for distribution in the New York market, and had attached to the sides of these bottles 1 1/8" x 1 3/4" leaf-

let-labels (called Outserts), on the outside of which was printed "Valuable Coupon Inside—For Kreml Users Only." An arrow pointed to the left edge of the folded, interiorly-sealed booklet, which, when lifted, disclosed a coupon for which the purchaser of the tonic could receive a trial bottle of shampoo by mailing the coupon to R. B. Semler, Inc. From 30,000 leaflet labels, Semler received a return of 7,200 coupons, which provided ammunition with which to approach the department and drugstores to prove the already established market for the new item.

Mr. Semler states that the Outsert coupon device has proved so successful in gaining acceptance for the product, both among consumers and the stores, that they've used the same method in establishing distribution all over the country, with the result that the shampoo promises shortly to become as important a money-maker as the tonic.

The coupon, reprinted below, also gave Kreml valuable information on the sex of its customers.

#### MAIL THIS COUPON TODAY!

R. B. Semler, Inc., 105 E. 29th St., New York, N. Y.

In consideration for checking the information requested below please send me the generous Trial Bottle of Kreml Shampoo.

Name .....

Address .....

City & State .....

The bottle of Kreml this coupon was attached to was bought for ( ) the man of the house ( ) the woman of the house ( ) both.



# Ask for That Order!

BY HERBERT KERKOW

**R.** BALZARI, chief of the marketing counsellors staff of McGraw-Hill, commented recently on the weakness displayed by many salesmen when the order has been pushed to the point of closing. In most cases it simply amounts to a failure to ask directly for an order.

"Years ago," Mr. Balzari told me, "when I was put in charge of a district sales office for a prominent electric equipment manufacturer, I found four cub salesmen delegated to answering telephone inquiries. When a prospect or an old customer phoned to ask about the price or the technical features of a motor, for instance, the cub salesman, either out of his head or from the mass of catalogue and specification material in front of

him, would answer the prospect's questions, but do nothing further.

"Making no effort to close a hot inquiry seemed to me to be the worst kind of training for a man who would eventually be sent out to represent my office in the field. Consequently, the first thing I did was to instruct the inside cub to *ask for the order*. In other words, when he got through telling the inquirer all this prospect wanted to know about sizes, or prices, or the technicalities of the product, the cub salesman would say, 'May I send the motor over to you now?' Or, 'To save time, will you let me put through your order now for this motor? You can send me your purchase order later through your regular channels.'

"Believe it or not, this simple expedient of *asking for business* increased the sales of the four cubs sitting at the phone almost 100 per cent."

\* \* \*

Why do all the missionary work on your product and then let some competitor cash in on it? Are you forgetting to ask for the order, not once, but several times during your solicitations?



*Seize the propitious moment to ask for that order! It may come when the prospect phones for more information—when he is in need of quick service—when any one of a dozen factors have heightened his interest in your product.*

(Reprints of this page are available at three cents each, remittance with order.)



It's a comfort to a manufacturer to be able to plow one investment in tools and dies into diversified lines. A designer saw this bowl in the stock of the Chase Brass and Copper Specialties Division, turned it upside down, used a washer as a handle, and presto—another profitable, fast-selling item.



**"D**ID you know that that little copper Glow Lamp which is such a tremendous seller in the Chase specialties line was made out of a *toilet floater*? Did you know that Chase's fast-selling modern candlesticks and those smart-looking book ends were made out of ordinary copper plumbing pipe? You see it took an industrial designer with merchandising imagination to see artistic possibilities in those discarded parts, shells, elbow joints and odds and ends in Chases's storeroom."

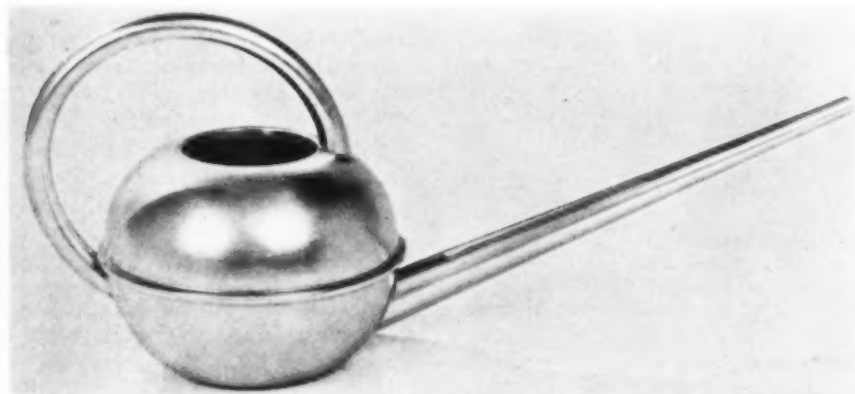
Russell Wright, an industrial designer himself, was discussing various ways in which designers could be useful to manufacturers.

"I think that one of the most important functions of the designer at this stage of industrial recovery is that of salvaging waste. He can do it by modernizing obsolescent products. He can take a dull product lacking in sales appeal, and with the magic touch of artistic imagination vamp it into an exciting product packed with sales appeal. He should have the vision to

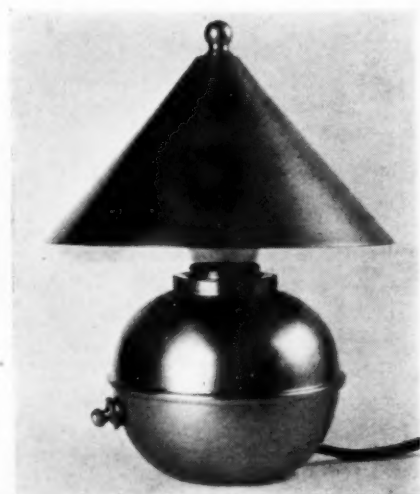
turn frozen assets like scraped parts or semi-finished stock into salable products.

"I've heard of several instances where designers studied machinery lying idle because the products they turned out were out-moded, and designed fresh, modern products which put those dead machines back to work.

"I happen to have had an interesting experience of this sort myself," continued Mr. Wright. "As the design consultant for Patchogue-Plymouth Mills Corporation, manufacturers



Ruth Gerth, one of the more resourceful industrial designers, picked a copper toilet floater out of a dusty pile of them in Chase's storage room, squinted at it calculatingly, and out of her "artistic" imagination sprang this little glow lamp and watering can. Both are best sellers.



# Design Ingenuity Turns "Waste" Materials into Items Buyers Grab

BY R. S. McFADDEN

Is there any way to salvage out-moded stocks or to use machinery forced into idleness through the obsolescence of the products it used to make? This month's "Designing to Sell" department supplies an emphatic affirmative answer, and cites the experience of such concerns as Chase Brass and Copper, Patchogue-Plymouth, H. C. White Company and others in making new assets out of old liabilities.

of rugs, I noticed, while going through the factory, that a certain battery of expensive looms stood idle most of the time. Upon inquiry I learned that the manufacturer's original investment in these looms was being lost because the type of woven wool and fibre rug which they had produced had gone 'out of style.'

"Those rugs, called 'Ingrain,' mostly imitation oriental small repeat patterns, had been best sellers thirty years ago. Meanwhile, the public was demanding larger and gaudier patterns, and Patchogue-Plymouth was complying with the demand by manufacturing stencilled all-fiber rugs. The more stencilled rugs they turned out, the more the sales on the woven rugs dropped off, until only the orders of one mail order house remained. The stencilling department worked overtime, and looms that wove patterns automatically often stood idle while stencillers applied patterns by hand.

"Now it seemed to me that the trouble was fundamentally a question of design, and that it would be altogether possible to recreate interest in the all-woven rug. I set about studying the technical possibilities of those almost discarded looms, and found that they actually could produce rugs quite contemporary in pattern and design.

"Patchogue - Plymouth, discouraged with their 'bad luck' with those looms, were skeptical, but did cooperate in marketing one experimental 'revival.' It clicked. The second year we brought out lines of woven rugs in two price ranges, all in contemporary patterns and colors, employing mainly a combination of floral and plaid motifs. That settled it. The second year's sales established beyond a doubt that

the experiment was a success, and now, in the third year, the sales of these rugs run higher than the sales of the stencilled fibre rugs. Not only is the weaving department now as busy as the stencilling department, but the woven rugs are giving them more winter sales. For forty years they've been known as a 'summer house,' and have made every effort to level out the winter season slump. Patchogue is confident now that that subtle thing called 'design' is accomplishing this for it.

"I told you that, because it's a representative example of what any designer with a reasonable degree of resourcefulness and ingenuity ought to be able to do for his manufacturer client.

"But let's get back to the success



(Above) Decapitate and detail this horsy book-end, and what do you have?—a copper plumbing elbow-joint! Walter von Nessen, designer, thought of this.

At your right is one of those items that had its day of big sales and then suddenly flopped, before the slats used in its making were used up. Lurelle Guild turned its arms back-side-front, rearranged the slats, dressed it up in modern cretonne, and the number has again become a profitable standby.

the Chase Brass and Copper Specialties Company has had in using designers. It was Ruth Gerth, of Gerth and Gerth, who had the bright idea to perch a little copper shade atop a toilet floater and conjure a lamp out of it. It was she, too, who picked up the item called 'the imperial bowl,' turned it upside down, took a discarded washer out of stock for a handle, and, because she knew just how to do it effectively, turned the affair into a 'hot service cover' that's had an amazing sale.

"Chase employs another designer, Walter von Nessen, who's equally smart at visualizing the brilliant potentialities of homely objects. He took some brass plumbing elbow joints, designed some amusing heads and tails to attach in the prescribed places, planted them on firm bases, and Chase added to their line some of the doggiest, cattiest and horsiest book ends you ever saw—and *they're* selling.

"One of the most unexpected developments of Chase's adventures in design was the effect of these new products on the company's old employees. The men in the factory and the men on the sales force are now contributing a stream of ideas for adapting old products to new uses. The ingenuity of the designers has cultivated the same attitude of mind in the rest of the organization.

"Not only that, but this practice enables Chase to pass along to consumers products at a price which would have to be much higher if everything were made from scratch, with the cost of new molds, dies and tools to reckon with.

"Do you think, Mr. Wright," asked  
(Continued on page 633)







Gilbert Farrar, the critic chosen to analyze the sheets in this year's T. & H. calendar, picked October's page for first mention. For second place, he chose August. But in the popular vote taken among recipients of the calendar, February was the overwhelming favorite. Curiously, the February page was the only one executed in black and white only.

# Calendar Is Basis of Paper Merchandising Plan

THERE probably isn't a printer in all of New England—perhaps in the entire East—who hasn't heard of the Tileston & Hollingsworth Company annual calendar. This old company—they have been making quality papers for more than 130 years—stumbled upon an idea nine years ago which has expanded until it is now regarded as the most important single promotion piece used by this firm. About the calendar has developed a somewhat unique merchandising plan which serves to create a direct interest on the part of printers in the various papers the company has to sell.

## For Better Printing

When the first calendar was issued in 1924 by Tileston & Hollingsworth, they decided it would be a good idea if a number of printers could be interested in its production, rather than to have the entire job prepared by a single printer. So twelve print shops, representing various localities in New England, ranging from very small to very large shops, were selected, and to each was assigned a single one of the twelve calendar pages. Each was given the copy and the paper, and told to produce a calendar for a given month;

the company approved the copy only, and made absolutely no specifications as to typography, layout, etc. They didn't, in fact, even ask for a proof. A different T & H paper was selected for each. When the work was done, each printer sent his bill, and the various sheets were gathered and bound.

"We explained to the printers," said A. V. Howland, vice-president of the company, "that our aim was to show the best printing that could be done in New England, to improve printing done in New England, and thus increase the amount of printing paper sold in New England."

## How Printers Were Instructed

While *carte blanche* was given to the printers who handled the calendar job, the key to the style of job done was usually embodied in the pictures, or drawings, or photographs, furnished by T & H to decorate the pages. Several series of very old prints have been reproduced, and for the last few years pictures designed by New England artists have been used. The printers, however, chose the type of engraving for the art. The following instructions, sent to the participating shops, will give a clear idea of the

way Tileston & Hollingsworth made their assignments:

We should like you to produce the calendar for ..... The combination of colors (various), style and arrangement is entirely left to you, with the idea in mind that the result must be of value, first, as a calendar, and second, as an advertisement of our paper—in fact, the particular paper you are to use, which is .....

We are sending you under separate cover a picture by..... and would like you to return this to us, with the size and kind of plates you require, which will be produced by Donovan & Sullivan.

1. The size of the finished sheet, as you will send it to us, is 23 $\frac{3}{4}$  inches long by 14 $\frac{7}{8}$  inches wide. This allows us a  $\frac{1}{8}$ -inch trim all around, and leaves a  $\frac{3}{4}$ -inch binding space at top. This gives a sheet 22 $\frac{3}{4}$  inches long by 14 $\frac{5}{8}$  inches wide to work with.

## Analysis by Experts

2. It must be composed of material such as may be found in any good print shop, and not of art work.

3. We wish to show on this calendar the following:

1. The name, Tileston & Hollingsworth Company.

2. A picture, plates to be furnished by us.

3. The current month.

4. The preceding month and the following month.

5. The slogan: "Papermakers for More Than One Hundred and Thirty Years."

(Continued on page 629)

**35 MILLION DOLLARS  
ADDED TO SPOKANE  
MARKET BUYING  
POWER IN 4 1/2 MONTHS**  
(Jan. 1 Prices Compared  
with May 20th '33)

an average  
of approximately  
**\$225 More Money**  
for each family!

SPokane County  
OREGON IDAHO

**B**ASED upon prices May 20th and normal year's output, more than \$35,000,000 has been added to the buying power of Spokane Market Consumers since January 1st. They have already benefited many millions of dollars from products ready for market at the increased prices, including millions of bushels of wheat and other grains that were in storage.

Normally, from 1/10th to 1/12th of the nation's wheat, 1/5th of its boxed apples, large quantities of other farm products, together with 1/4th of the silver and 35% of the lead mined in the U. S. comes from the Spokane Country. Even for 1932 the spendable money income here was 37% above the U. S. average. So with the substantial commodity price gain to date and further advances, the Spokane Market is unquestionably a favored spot for intensive sales drives now and throughout the year.

Polk's Consumer Study shows that THE SPOKESMAN-REVIEW and SPOKANE CHRONICLE'S combined circulation is 85% UN-duplicated, giving you a highly influential home effective coverage for Metropolitan Spokane of 93.76% and 91.95% for Spokane and the entire Urban Trade Area combined. Send for special market information to assist with your sales plans—furnished promptly.

REVIEW-CHRONICLE GENERAL ADVERTISING BUREAU

**SPOT**  
**The Spokane**  
**Market Now!**  
GET  
**30%**  
**Above U. S.**  
**Average Results**

**THE SPOKESMAN-REVIEW**  
MORNING-SUNDAY  
**Spokane Daily Chronicle**  
EVENING WEEKLY

**COVER SPOKANE AND THE SPOKANE COUNTRY LIKE THE SUNSHINE**

<b>REPRESENTATIVES</b> WM. J. MORTON CO. NEW YORK CHICAGO M. C. MOGENSEN & CO., INC. SAN FRANCISCO LOS ANGELES - SEATTLE	<p>WASH. COUNTRY ORE. IDAHO HEART OF THE PACIFIC NORTHWEST</p>	<b>DOMINANT FARM MAGAZINES</b> THE WASHINGTON FARMER THE IDAHO FARMER THE OREGON FARMER
---	--	--

**POLK Says:**  
**Combined**  
**Circulation**  
**85%**  
**UNduplicated**  
**Complete**  
**Urban Coverage**

# "LMC," Too, Makes "Black 1932" Its Peak Dividend Year

**T**OTAL premium income of the Lumbermen's Mutual Casualty Company of Chicago increased \$791,142, over three-quarters of a million dollars, to a new high record of \$15,098,377, as a result of operations during their last business year. Assets increased over a half million dollars during the same period to \$16,031,781, and dividends returned to policyholders amounted to \$2,726,144, exceeding by some \$200,000 the previous record payments.

Even after these dividend payments the company was able to increase its net surplus by over \$100,000 to a total of \$2,336,954 and this based on December 31, 1932, values of securities owned. Such performance is always "news" and particularly so coming at a time when most sales curves and profit graphs have been resembling an Alpine ski course.

## 85 Per Cent Repeaters

During a discussion of this unusual record with Mr. James S. Kemper, president of "LMC," it was readily apparent that these attainments were not the result of high pressure tactics but rather the fulfillment of many years—twenty, to be exact—of careful adherence to principles surrounding the operation of the company since its inception.

"We started," said Mr. Kemper,

Based on an interview by  
W. F. Weber with

## JAMES S. KEMPER

*President,  
Lumbermen's Mutual Casualty  
Company, Chicago*

"with certain ideals. We never grew careless of them.

"We wanted to provide the best protection obtainable. Cost of operation was to be maintained at a low level consistent with service rendered. The company was dedicated to a thorough study of accident causes and, by the same token, accident prevention. Rates were to be equitable. We chose the standard of full statutory reserves and determined to build up an adequate surplus. The balance of the premium was to be returned to the policyholders in the form of dividends or premium refunds. And finally, we committed ourselves unequivocally to limiting the membership to those willing to cooperate with this program."

That such cardinal principles have been sound is evidenced by the financial standing of the company and the fact that 85 per cent of its policyholders renew voluntarily every year. This fact alone permits the company's hundreds of representatives to spend the greater portion of their time writing new business and thereby reducing

their unit sales cost. So valuable has the LMC franchise become that the highest type of representation is secured at a lower than average direct selling cost. Coupled with good management at the home and district offices, this results in a favorable expense ratio, that is, ratio of total expenses of doing business to total premium income.

"Dealing with a more or less intangible commodity as we do," Mr. Kemper said, "good management and sound selling are extremely important. We cannot lose sight of the fact that fundamentally the product must be 'right' in every detail.

"Given the right product with proper sales supervision and sales helps, such as advertising in various forms, a carefully selected selling organization cannot help but succeed."

## Recruiting Capable Salesmen

And the record of the Lumbermen's Mutual would certainly indicate that for the past twenty years it has given its sales representatives just that. The high percentage of voluntary renewals speaks volumes in itself for the good will and cooperation developed among its customers (policyholders). And the increase in dividends returned, having reached a new high in 1932, proves conclusively the soundness of the management's policy of depending on profits from underwriting rather than from security investments. So sound and conservative, in fact, have the investments of this company been, that the portfolio showed a substantial increase in market value between January 1 and December 31, 1932.

Martin P. Luthy, director of advertising for LMC, went on to discuss more fully some of the sales policies which may be considered as being responsible for LMC's record. "Selection of representatives," he stated, "is of great importance and we carefully weigh a man's financial as well as moral standing in a community before we permit him to represent us. As a result we have men of the highest type, and when we fail—as we sometimes do—in securing the right man, he is eliminated and replaced by one of the proper calibre."

The company's own field supervisors  
(Continued on page 634)

**L**umbermen's Mutual Casualty Company of Chicago set a whole flock of new records for itself, even if it was the last year of the world's greatest economic debacle. Its policies are unbelievably simple. But they are consistently followed.



James S. Kemper





*This one sentence in your advertising makes every dealer say—*  
**"HERE I AM"**

**"WHERE TO BUY IT" Service makes it easy for prospects to find your authorized dealers**

Just a few words in your advertising can solve a big merchandising problem . . . if they refer to your authorized dealers listed in the classified telephone directory under your trade mark or brand name.

Under the "Where to Buy It" plan authorized dealers — whether they be in Tallahassee or Spokane — are definitely identified as *your* dealers, are all listed in exactly the same way.

Through this dealer identification service you direct prospects to your local dealers; make results from your advertising more certain; check substitution at the point of sale.

"Where to Buy It" Service benefits the dealer and the distributor as much as it benefits the advertiser. And it strengthens dealer relationships.



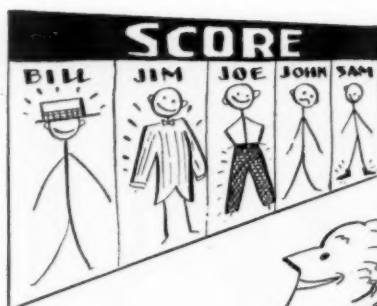
Advertisers using the "Where to Buy It" plan (that is, dealer listings *and* the tie-in phrase in their advertising) include such names as Mimeograph, L-O-F Safety Glass, Kelvinator, Goodrich, Oldsmobile, Alliance Insurance, and others.

Trade Mark Service Manager, American Telephone and Telegraph Company; New York address, 195 Broadway (EXchange 3-9800); Chicago address, 311 West Washington Street (OFFicial 9800).

CLASSIFIED TELEPHONE DIRECTORY	
46 89 88 28 54 12 19 13 27 4	<b>Refrigeration, Electric</b> <b>LEONARD ELECTRIC REFRIGERATORS</b> For homes and apartments <b>Out-LEONARD</b> standing beauty and convenience features including "A-Dor" (Self-opening Door). The leading name in household refrigeration for fifty-two years. <b>"WHERE TO BUY THEM"</b> <b>DISTRIBUTOR</b> Southern Wholesalers 1519-21 L St NW DE

# Sales Planning for July

Business is better. Prices are rising. That gives every company two immediate jobs: the problem of making this summer as productive as possible, and the problem of getting ready for a better Fall than we've had in several years. Here are some ideas for making hay while the July sun shines.



Don't let the superstition about "the pickup after Labor Day" prevent you from making plenty of hay during July and August. Don't let the salesmen sink into a mid-summer lethargy. If you haven't already launched some special campaign which will serve as the basis for *activity* during the eight weeks before Labor Day, hop on it. The campaign needn't be elaborate or expensive, but must *set up a goal and give the men some incentive to achieve it.*

\* \* \*

If you're casting about for an idea for a short contest to run between now and Labor Day, why not try one in which all credits are based on *new business*? Make up a scale in which salesmen are given a certain number of credits for every new account opened (set a minimum dollar value), so many more for each new account whose *initial* order runs over medium size, and so on. Count as a "new" account anyone who hasn't bought from the company for two years. Use the "dress up" idea for prizes. A man who wins 100 points, say, gets a new pair of shoes; 200 points entitles him to a shirt and tie also; 300 points adds a hat, etc., scaling the points so that a man who did a really top-notch job could have a complete new Fall outfit. This idea offers a good opportunity for humorous cartoon bulletins, showing the various salesmen dressed to the extent to which their current week's work entitles them.

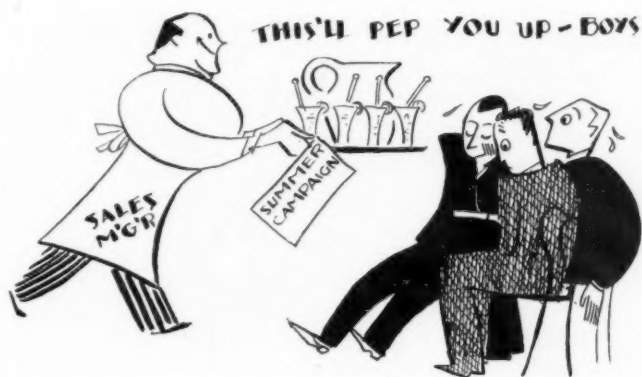
\* \* \*

It's hard to get enthusiastic about Christmas when the thermometer is hanging around 90, but remember those nerve-racking, last-minute rushes of previous years, and resolve to avoid them this year. There should be something definite under way on a Christmas promotion plan, both in mailings to dealers and in dealer help material.

\* \* \*

There's been more activity during the past two years in re-packaging of products than in all the twenty years previous to that. If you make a packaged product, go out and buy a can or a box of all competing products, stand them up on a table beside yours and have a truth meeting with yourself. Are some of them a country block ahead of you in design appeal? If you think better design doesn't pay, you haven't been reading SM's "Designing to Sell" department.

July or August would be a good month to enlist all office and factory workers in a special sales campaign. All of these employes are looking for extra money to spend during *their* vacations. Look over some of the successful plans, such as have been used by American Tel. & Tel. and Westinghouse, and work one on a smaller scale for your own use. Pay a commission for every sale made directly, or made as a result of a lead turned in by an employee.



Salesmen, as a class, are still a tired-out bunch. Business is better, we all know that, but most salesmen won't hit their old-time stride until business has been better at least six months. To men in this condition, details count. Don't overlook any chance to commend your men for good work this summer. The president of the company himself should send a short but specially dictated letter to every man in the field who turns in an exceptionally good order, or who breaks a stiff quota for July or August. Many men would rather have a personal letter from the big chief to show their friends than a solid gold brick.

\* \* \*

If your dealers seem to have lost all appreciation of the multitude of sales opportunities that lie right under their noses, why not organize a house-to-house crew (lots of young college men are looking for summer work and they're usually quite satisfactory for this work if given a short preliminary, but careful training) or "flying squadron" and cover the local neighborhoods of some of the dealers who seem to be seriously underselling. Use the results to convince the dealers they ought to be doing some systematic outside selling on their own hooks.

\* \* \*

Vast new buying power is being created in selected districts where industry is re-employing thousands of workers long idle. If you haven't a tested local campaign which you can throw into these markets when the time seems ripe, get busy and frame one. Pick out a medium-to-small locality which is in good condition and test your plan. Consult with the local newspapers there concerning promotion, jobber and dealer relations, etc. If the campaign doesn't go over the first time, bolster up the weak spots and try again. Such a test can usually be made for less than \$5,000.

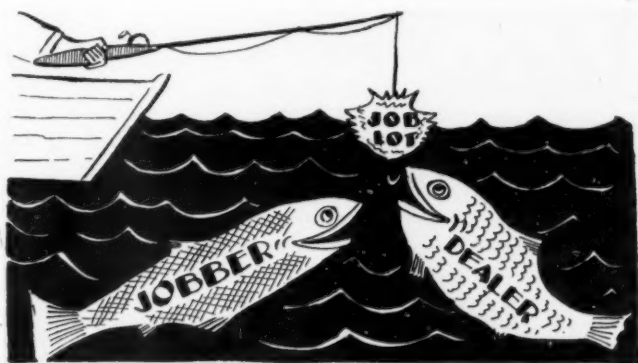
The near-to-home summer resorts will be well patronized this year again, as they were last, and more money will be spent. Lots of people didn't have any vacations last year, remember. Look over these markets and see if you can't find a way to turn some of the vacation money your way. One candy manufacturer told us that a *single* rainy Sunday at Coney Island costs him around \$5,000 in cash sales for the week. Money is spent freely at resort centers.

\* \* \*

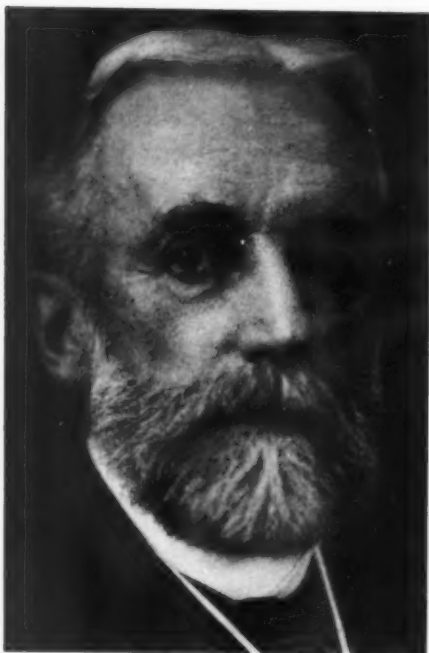
Remember that thousands of families move on October 1. This great "transplantation" (and the one on May 1) is still greatly under-exploited by companies that make all types of home equipment, home furnishings, domestics, art goods, electric appliances, etc. If your best prospect is the great American housewife, do something during September to cash in on (1) the demands which arise out of moving from one house to another and (2) the needs which are aroused by fall housecleaning.



Look over the inventory for slow movers, odd lots, obsolete or obsolescent models and just plain "flat tires" in the line. Get them together. Look over costs. Decide what you'll have to get to break even on them. Then plan a two- or three-piece direct mail campaign built around the "Bargain Sale" idea, to get rid of them. Lady shoppers have no monopoly on the bargain urge. Dealers and jobbers bite on the "Mill End" or "Job Lot" idea just as readily, if the goods are enticingly presented.







# Cyrus Curtis— Gentle Salesman

BY LAWRENCE M. HUGHES

ON an initial capital of 3 cents, Cyrus H. K. Curtis built up publishing properties valued at \$60,000,000, which have done a sales volume of \$100,000,000 and have made a net profit of more than \$20,000,000.

Mr. Curtis' personal income has ranked with that of the Rockefellers, Andrew Mellon and Henry Ford—in several years having been more than \$4,000,000.

Why?

Mr. Hearst, for example, is very rich too, but he has more than 30 newspapers, magazines and business papers, and other business interests, against Mr. Curtis' seven. E. W. Scripps became well-enough-off, from more than 20 newspapers, before he died, in 1926. Mr. Hearst, however, had wealthy parents, Mr. Scripps, well-to-do half-brothers, to rely on. Less dynamic, less colorful than these and many other publishers, Mr. Curtis nevertheless approached more nearly to the American self-made-man ideal.

## Little Magnate

He did not look like a self-made man. Just an inch or two above five feet in height, weighing in his later years not much more than 100 pounds, he seemed to need his beard to look the magnate part. But his mouth and chin were firm enough, and his eyes, as you spoke to him, were penetrating. They were gentle, though, and his voice and his manner were quiet. This reporter recalls that the first time he saw Mr. Curtis, at the former plant of the

New York *Evening Post* in Vesey Street, he mistook him, wandering about unobtrusively, for a proof-reader, out to stretch his legs and get a drink of water (he drank gallons of water daily) between editions. Being involved in a rather pet project of the Old Man, the reporter saw him rather frequently. Mr. Curtis would sit on top of a pile of papers on an old desk, and discuss advertising successes, and occasionally make an editorial suggestion. (He is said never to have issued a command.)

Advertising, then and probably most of his life, was his principal interest. In this, too, he differed psychologically from Messrs. Hearst and Scripps. His sales methods may be summed up in his expression, "Get something good, and then go out and make a dumb-fuss over it." His dumb-fuss, however, was not ballyhoo. In advertising, he advised copywriters to tell the truth, simply, not to become involved in a "mess of words," but to write for the reader and not for their superiors. In space selling, the Curtis plan was to concentrate hard on one prospect at a time. In attempting to line up one advertiser for the *Ladies' Home Journal*, about 30 years ago, he learned that this individual read regularly the New York *Sun*. So he advertised in that newspaper, just to attract that one prospect.

More than an executive, Mr. Curtis was a coordinator and a deputizer. But he was none the less watchful of all that transpired in all the departments. Editorially, his papers reflect his conservative Republicanism. They may do a bit of muckraking on Germany or Russia, but in America all that is, is best. Competition is healthy, enterprise stimulating, business virtuous. Even depressions bring no essential changes. When some-

one predicted a year or so ago that this depression would last five years, Mr. Curtis reminded him that, according to the Old Testament, the seven lean years were followed by the seven fat years. He did not think the depression would ruin us, or change us either.

Almost up to his death, Mr. Curtis, though not primarily an editor, was following closely the editorial policies and contents of his papers. Down in Florida, a few weeks ago, he went over the New York *Evening Post*, almost line after line, with Julian Mason, its editor.

## Deputizer

Perhaps it was his first wife who taught him that he was not an editor—or at least that he should deputize functions to those more immediately familiar with them. She was the first editor of the *Ladies' Home Journal*, which became Mr. Curtis' first major publishing venture. When he decided that a man's magazine—a business magazine—was equally needed, he bought for \$1,000, in 1897, the *Saturday Evening Post*. He chose as editor not an editor but a business man, George Horace Lorimer. To Mr. Lorimer he gives credit for its success. When Mr. Curtis retired from active supervision of the Curtis Publishing Company last fall, to become chairman of the board, Mr. Lorimer was chosen president.

Mr. Curtis' conservatism is expressed in his pride in the ancestry of some of his papers. No pretty girl on the cover of the *Saturday Evening Post* is permitted completely to obliterate the announcement that the magazine was started in 1728 by Benjamin Franklin. He was compensated in part for his losses on the New York *Evening Post* (which is supposed to have made a

(Continued on page 625)



## Lucian Bernhard says . . .

***"Of two equally strange men, the better dressed invites more confidence. Should not the same apply to better designed merchandise?"***

NOT ONLY in furniture, but in all lines of industry, the artist designer is rendering a service of great value in creating a public appreciation of beauty in products in every day use—even those of the most utilitarian character. This greater beauty is proving to be a real business asset, as products that have been designed with an eye to beauty as well as utility sell more easily, and in larger volume.

It was Mr. Bernhard's appreciation of the inherent beauty of Bakelite Materials that led him to incorporate them in his splendid designs for the furniture in the private office of Mr. Sidney Matz, shown in the photograph. The massive desk and table tops and the clock face are of lustrous black Bakelite Laminated, and contrast most effectively with the rich grain of the rare woods used in furniture and paneling.

Bakelite Materials have an innate beauty and this applies to both Laminated and Molded forms. Redesigning with Bakelite Materials has been found an almost certain way to increase sales, and often effect production economies, too. We invite you to consult us freely about the possibilities of Bakelite Materials in your own work. Also write us for copies of Booklets 26M, "Bakelite Molded" and 26L, "Bakelite Laminated."

Don't miss the Bakelite Exhibit when you visit the Century of Progress Exposition.

★ *Lucian Bernhard, 120 East 86 St., New York, decorator, type designer and product designer, is one of the most versatile of artists, and his work is well known here and abroad. He has designed furniture, interiors, automobiles, trade-marks, boxes and packages. He is a leader in the movement to further "Art in Industry".*

BAKELITE CORPORATION, 247 Park Avenue, New York, N.Y. . . . . 43 East Ohio Street, Chicago, Ill.  
BAKELITE CORPORATION OF CANADA, LIMITED, 163 Dufferin Street, Toronto, Ontario, Canada

# BAKELITE

"The registered trade marks shown above distinguish materials manufactured by Bakelite Corporation. Under the symbol 'B' is the number of present and future uses of Bakelite Corporation's products"

## THE MATERIAL OF A THOUSAND USES

# Bootleg-Proof Can Gives Oil Firms 35 to 50 Per Cent More Sales



With an identified sealed container, which is mutilated when inserted in the Canco oil dispenser, a number of oil companies are now effectively fortifying themselves against losses from oil bootlegging. These photographs show the procedure on the part of the service station attendant in serving motorists.



**A** CAN and a plan are being employed effectively by American Can Company, New York, to simplify motor oil marketing and to make it more profitable.

In recent months they have enabled eight oil companies to increase their sales volume—the lowest by an estimated 35 per cent, the highest by 50. Incidentally, American Can has helped these refiners render themselves impervious to all the varied and skillful attacks of oil bootleggers, who in recent years, by substitution, have often robbed legitimate members of the industry of 20 per cent or more of their sales, and who probably have done even greater damage to the good will of advertised oil brands.

## Ten More Firms Adopt It

These results have been achieved, said H. G. Edwards, general sales manager, in the first six months of the operation of the plan. Ten other refiners recently have adopted it.

Though small in proportion to the gasoline volume, the 1,800,000,000 quarts of oil sold annually to American motorists represent a sizable business in themselves, Mr. Edwards explained. With the gasoline business hard hit by price cutting and heavy taxes, refiners and dealers are relying more on oil as the source of their profits. But here also bootlegging and substitution were a serious problem for refiners.

Thus, when American Can introduced its plan to reduce these losses, it found the market receptive. The plan is based on the packaging of motor oil, at the refineries, in hermetically sealed cans, with the name of the refiner, the brand and the measure lithographed, and the SAE weight rating or viscosity stamped on the can itself. The essence of the plan is that the can is safely sealed until it is opened in the presence of the motorist at the garage or filling station when he asks for a certain brand of oil. For this purpose the American Can provides the Canco dispenser. When the can of oil is pressed lightly down into the dispenser, an arrangement of steel blades slashes open and drains it. The oil flows to the chamber below the blades and is poured immediately into the crankcase. It is this swift, dramatic journey from sealed can to crankcase which has made this new

marketing method possible, and which gives it its merchandising force and salesmanship. The method completely destroys the can so that it cannot be refilled. The dispensers (available in one-quart and five-quart sizes) are sold to refiners, who furnish them to their dealers.

Important as they are in eliminating tampering by any of the hands through which motor oil until now has passed in its long and varied journey from refiner to user, they are even more important in eliminating several of these processes themselves. Executives of American Can point out that they are shortening this journey and enabling refiners substantially to reduce their handling costs. Railroad tank cars, bulk storage tanks and equipment, automobile truck tanks, delivery cans and buckets, lubrication outfits, barrels and other paraphernalia which have cost the members of the oil industry all told scores of millions of dollars to acquire and millions annually to maintain, it was explained, are no longer needed. Motor oil is handled as simply, quickly and efficiently as canned fruits or vegetables.

## Eliminates Costly Equipment

"The variety of these steps has increased the cost of getting the oil to the consumers," Mr. Edwards added. "What's more, bootleggers have developed ways to get into sealed tanks and barrels. The only way to overcome this was by a container which could not be opened without disfiguring the container itself and making the substitution obvious, until a motorist drove up to a station and asked for a certain brand of oil.

"Now motor oil can be shipped direct from refiner to dealer, with regular box cars and delivery trucks doing the work. Costly special equipment and costly delays both are eliminated. Inventories also are reduced. The amount of oil canned is more proportionate with demand. There is a reduction in fire risk involved in the handling of bulk oil. Moreover, the method allows oil companies to distribute more widely without selling, loaning or giving expensive equipment. A few cans and the dispenser start another station in business, thus allowing a better distribution of financial risks in credits and investment.

"In contacting with refiners our



# Comes the Dawn?

Thirteen years  
of this

1931 JULY 106,631 lines GAIN ●  
AUG. 129,744 lines GAIN ●  
SEPT. 188,037 lines GAIN ●  
OCT. 284,722 lines GAIN ●  
NOV. 172,960 lines GAIN ●  
DEC. 117,657 lines GAIN ●  
1932 JAN. 75,993 lines GAIN ●  
FEB. 25,637 lines LOSS ●  
MAR. 181,003 lines LOSS ●

Fourteen months  
of this

APRIL 172,588 lines LOSS ●  
MAY 166,721 lines LOSS ●  
JUNE 62,194 lines LOSS ●  
JULY 108,821 lines LOSS ●  
AUG. 195,138 lines LOSS ●  
SEPT. 274,522 lines LOSS ●  
OCT. 320,125 lines LOSS ●  
NOV. 316,083 lines LOSS ●  
DEC. 110,559 lines LOSS ●  
1933 JAN. 164,064 lines LOSS ●  
FEB. 115,970 lines LOSS ●  
MAR. 181,918 lines LOSS ●  
APRIL 52,879 lines GAIN ●  
MAY 91,897 lines GAIN ●

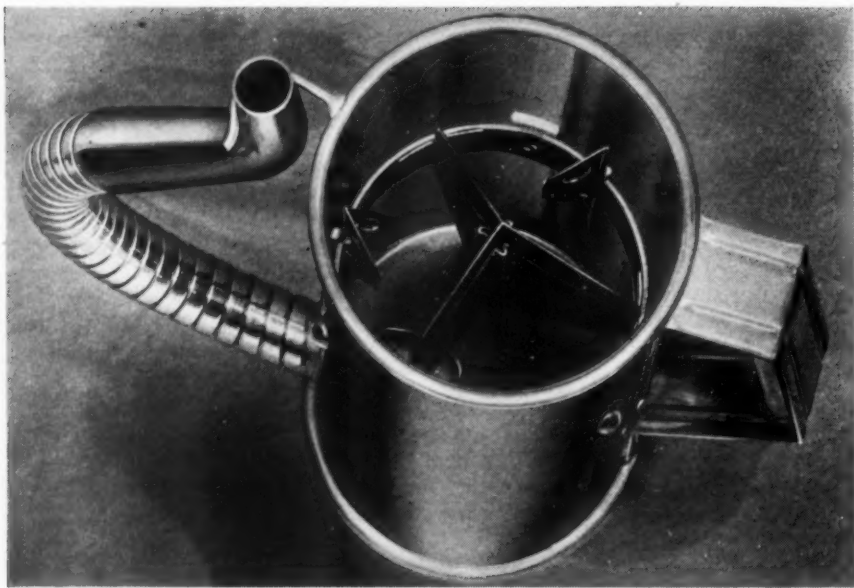
NOTE probable  
corner being  
turned, probably

THAT old reliable indicator of public buying and business sentiment—News lineage—seems to be on the up (April) and up (May). The gain for April was 52,879 lines, and for May 91,897 lines.

*This information is from sources we believe to be reliable (Media Records) and can also guarantee.*

## THE NEWS, New York's Picture Newspaper

Tribune Tower, Chicago + Kohl Building, San Francisco + 220 EAST 42nd ST., NEW YORK



*Brand-guardian for oil companies . . . it mutilates the can.*

salesmen are equipped with more than cans and dispensers. To be sure, they show the tamper-proof packaging and the facility of opening at the final sale. But they are also equipped to dramatize the savings in various costs which refiners have regarded as inevitable. They have enlarged charts, based on detailed studies, to present the intangible as well as the tangible results from the 'Can Method.'

#### Renews Brand Confidence

"Probably the greatest saving being made by this method, however," Mr. Edwards went on, "is that of increasing confidence in the individual refiner's brand—a confidence which substitution has so seriously jeopardized."

American Can Company has been stressing this in a campaign in oil journals. Says one advertisement:

"Every time the motorist gets an inferior grade of oil in his crankcase, thinking it is your oil, confidence in your brand is weakened if not entirely destroyed. The public is unaware of being gypped. The legitimate refiner, not the bootlegger, bears the brunt. *How long will you stand for it?*"

"Every time an inferior oil is featured as your oil at a deep cut in price, the whole price structure, not only of your company but of the entire industry, is undermined. *How long will you stand for it?*"

"Every time your advertising sends a motorist for your brand only to be sold a substitute under your name, your advertising money has been thrown away. Advertising is sheer waste in

direct ratio to the amount of substitution. *How long will you stand for it?*"

"This campaign by Fuller & Smith & Ross, our advertising agency," said Mr. Edwards, "is arousing a lot of interest among refiners and dealers and is developing scores of good prospects. The refiners who have been using the can method for a couple of months or longer include Valvoline Oil Company, Industrial Oil Company, Warren, Pennsylvania; Canfield Oil Company, Cleveland; Viscosity Oil Company, Chicago; Pennant Oil & Grease Company, Los Angeles; Chas. F. Kellom & Company, Inc., Philadelphia; Marquette Petroleum Corporation, Chicago; Hyvis Oils, Inc., Warren, Pennsylvania. We do not wish to announce the names of recent additions until their campaigns have actually started."

#### New Advertising Theme

"You may be sure that all of them are glad to capitalize their participation in the 'Can Method' in their own advertising. In a cover advertisement in *Time*, June 5, Hyvis emphasizes 'New Improved Quality Protected in Sealed Cans.' Three pictures of the Hyvis can, two of the dispenser, are shown with the advice: 'See the Hyvis sealed can opened and drained into the motor, right before your eyes. Note that the patented dispenser renders the can entirely unsuitable for future refilling.'

"Because of less investment in present distributing facilities, we believe that the medium-sized and smaller refiners will be the quickest to adopt the Canco Dispensing Method," Mr. Edwards concluded. "But the larger

ones are watching it, too. With some 250 companies operating 356 refineries and serving, all told, 350,000 retail outlets in this country, who in turn provide the lubricants for the 25,000,000 cars on United States highways, we believe the potentialities of the plan should be tremendous."

#### Farley, Quinn and Walsh to Address AFA Meeting

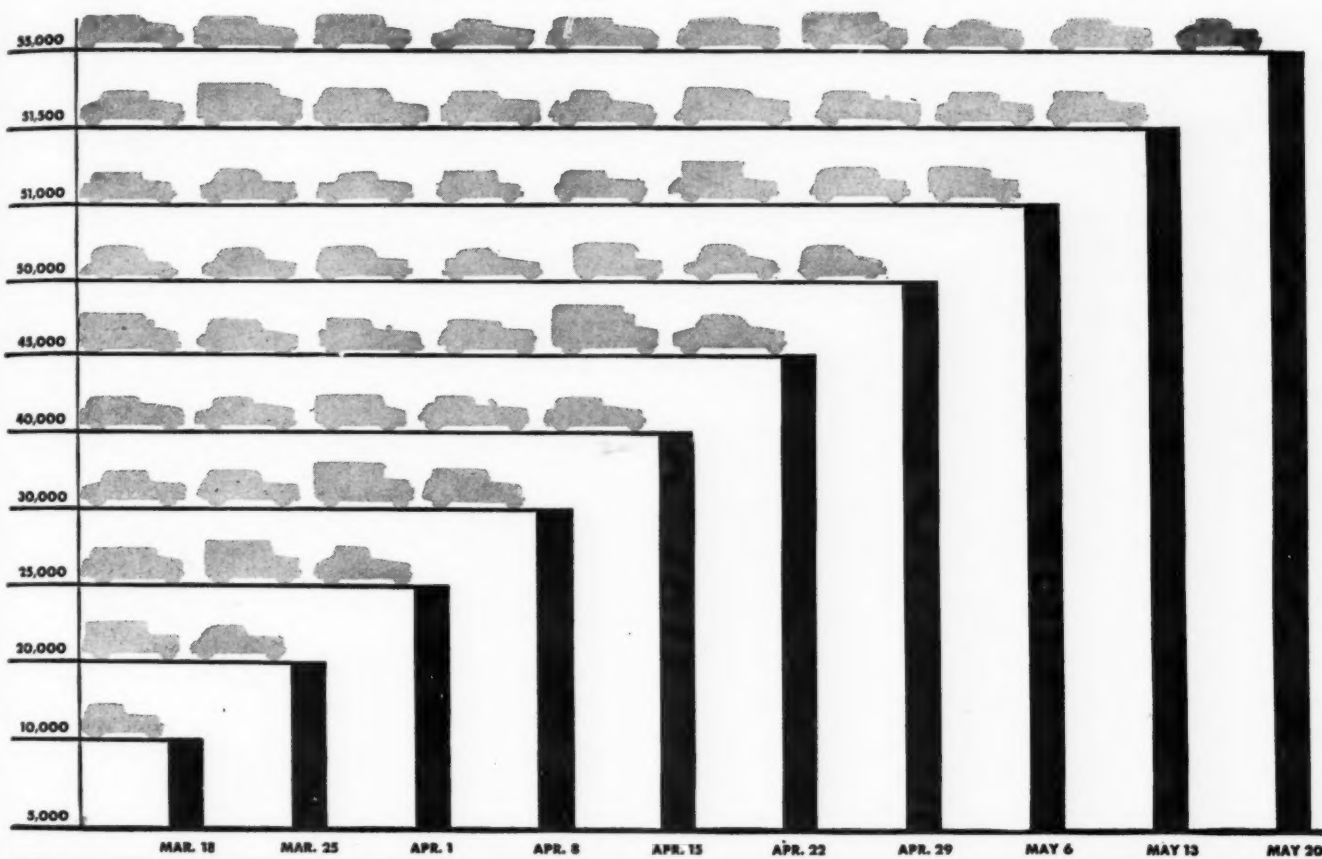
A couple of Irishmen, three, in fact, will be prominent among speakers at the twenty-ninth annual meeting of the Advertising Federation of America, at Grand Rapids. Postmaster General Farley will address the annual banquet June 26. T. K. Quinn, vice-president of General Electric, and E. V. Walsh, general sales manager of Timken Silent Automatic, also are scheduled—Mr. Walsh's subject being "In Defense of the Salesman."

Then there will be, among others, a couple of Senators—Capper, of Kansas, and Vandenberg of Michigan; a couple of publishing people, L. J. McCarthy, of *International Magazine*, and Lucille Babcock, of *Tower*; Stuart Peabody, president of the Association of National Advertisers; Ralph Leavenworth, of Westinghouse; Paul Ryan, of Shell; Dr. A. P. Haake, of the National Association of Furniture Manufacturers; A. N. Steele, Standard Oil of Indiana; W. A. Gilman, N. W. Ayer & Son; Frank L. Campbell, sales manager, Masonite Corporation, and H. G. Weaver, who discovers consumer preferences for General Motors.

#### Beard Heads Franklin Sales as W. W. Frazier Retires

W. W. Frazier, Jr., has retired after 46 years of service, more recently as vice-president and sales manager, with Franklin Sugar Refining Company, Philadelphia. The Frazier name has been identified with the sugar refining industry for almost 50 years, the firm of Harrison, Frazier & Company, formed in 1885, being succeeded in 1890 by the Franklin Company, now an affiliate of American Sugar Refining.

Mr. Frazier has been succeeded as manager by Walter E. Beard, for the last five years in charge of sales promotion for the American and Franklin companies. William F. Jetter has become sales manager and E. Vaughn Gordy, assistant sales manager. Mr. Jetter joined the Franklin company in 1893.



Automobile output in the week ended May 20 was estimated at 55,801 units, a gain of 4,130 over the previous week, according to Cram's Automotive Reports. It was the highest level reached since the week of June 13, 1931. The above chart shows the weekly trend.

# Breaking RECORDS!

The returning tide of prosperity sees Detroit rising to new records both for factory production and retail sales.

Automobiles lead, of course, since Detroit is the world's greatest automotive center. Production is literally booming. May production was greater than in April, which formerly has always been considered the peak month for spring production.

But Detroit prosperity is not measured only by automobiles.

"May sales of National Cash Registers will run 100% ahead of the same month last year," according to E. L. Blake, Detroit Sales Agent.

"The Eureka Vacuum Company has gone on a full five-day production schedule because of the increased demand for its vacuum cleaners," according to Fred Wardell, President.

And the Norge Corporation, manufacturing refrigerators, set a production schedule for May 40% heavier than any previous month in the history of the Company.

Wholesalers! Retailers! Domestic buyers! They are all making new business opportunities in Detroit for those who are keen enough to recognize a new trend.

## How to reach this market

This is the simplest problem you have to face in reaching any major market in the United States.

**76% of the city circulation of The Detroit News is actually hand-delivered into 71% of the better homes!**

An advertisement in this paper will open the 4th greatest American market to your product.

Approximately 4,845,000 people live within the boundaries of Michigan. These people, grouped into 1,184,000 families, constitute the living state of Michigan. Almost half of them, actually about 2,300,000 in number, or 47.80%, live in the Detroit trading area!—1,700,000 within the city's limits!

*The Detroit News* gives you most thorough coverage not only of the City of Detroit, but of the entire Detroit Trading Area—85% of the Sunday and 95% of the week-day circulation of *The News* being concentrated in the local trading area.

# The Detroit News

THE HOME NEWSPAPER

New York Office: I. A. KLEIN, Inc.,  
50 East 42nd Street

Chicago Office: J. E. LUTZ,  
180 North Michigan Avenue



# Kelvinator Sets a 19-Year Record in "Leadership" Sales Campaign

**K**ELVINATOR CORPORATION, Detroit—oldest company in automatic refrigeration—claims to be the most prolific in sales as the result of the success of campaign for "Kelvinator Leadership in 1933," J. S. Sayre, sales manager, informed this magazine.

The campaign, launched in December, was impeded in early months of this year by the bank holiday. In April, however, the company made up lost time and sales, with the shipment of 30,116 units, the largest month's volume in Kelvinator's nineteen years. This volume exceeded the previous record of 25,427 set in April, 1932, by 18 per cent. The May showing was even better.

The sales and advertising program was proportionately record-breaking, Mr. Sayre continued. The advertising budget, based on anticipated sales, was one-third larger than for any other year. In spite of this increase, however, Mr. Sayre says that the relative cost of sales is lower than ever before. The campaign was completed in detail last fall. Distributors were brought in, a few at a time, and told of it.

## Window Shade Presentation

As they entered Mr. Sayre's office they saw a placard across one side of the room: "Kelvinator Leadership Program for 1933." Then Mr. Sayre pulled down a roller-type, white window shade beneath it, on which was lettered an outline of Kelvinator's hopes and plans. Other window shades were then pulled down to show exactly how the objective was to be won.

One told of "Your Job as a Kelvinator Distributor"—outlining market possibilities of different types of refrigeration handled, analyzing the distributor's territory, including actual known facts, taken from shipping records, concerning productive dealers, open towns, community dealers, department stores and utilities.

Next was "Necessary Manpower," with a complete list of personnel required to do the job, and finally, "Training," which provided for two sales schools. The first of these was a school of wholesale salesmen and campaign managers, conducted by factory representatives, who organized their sales program, taught them a model presentation, and gave them a

complete chart of exactly what to do and say in contacting and signing key dealers. These were followed later by other factory men who checked up on the progress made.

The other school was for dealers and salesmen and was conducted by factory representatives, aided by distributors.

Definite dates for these schools were set while the distributors were at the factory and each was assigned a quota



J. S. Sayre

in dollar volume and in units of each kind.

The third chart outlined the dealer's job in maintaining adequate stocks, proper identification and necessary manpower. The "proper identification" included a window display program, special store displays, and new standard Neon sign. The sign, which was alone worth about \$25, and the monthly display service were sold to the dealers at \$12.

Then came "The Opening Guns," to be fired during December, January and February; a fourth chart, showing just what the factory, distributor and dealer should do. The factory was to launch a record advertising campaign, the distributor was to wage an aggressive dealer-getting campaign and to start established dealers on their way to leadership, and the dealer, among other things, was to conduct cooking schools and demonstrations.

Dealers employed home economists to demonstrate "cooking with cold,"

while each retail salesman was expected to conduct two food store demonstrations a month during January and February. The purpose was to get prospects without cold canvassing.

The salesman would select a food store in a shopping center and arrange with the merchant for the demonstration. A Kelvinator was placed on display and Kelvinator printed a quantity of handbills for the merchant free, advertising his goods—but also picturing a Kelvinator, and giving details of a contest in which a set of dishes would be given away. It was estimated that such demonstrations would produce 800 contacts and 80 qualified prospects for each salesman.

The fifth chart outlined "The Big Spring Drive" to be conducted during March, April and May, and included magazine advertising, key town advertising, a small market program and promotional activities for each outlet.

## Record Advertising

The magazine advertising included monthly insertions in seven magazines and in a group of trade journals. Mr. Sayre had the circulation of these magazines in every town of 1,000 or more.

Key town advertising included a newspaper campaign in approximately 1,000 papers to obtain local acceptance, both among consumers and dealers.

For the smaller markets, newspapers were used where available, but chief dependence was on billboards, of which some 3,000 panels a month were used and the "Home Pictorial," an illustrated monthly to be distributed to homes. A minimum of 350,000 copies of this were distributed monthly.

The sixth and last chart, "Budgeting the Campaign," provided for certain percentages of factory billings for advertising exclusively in distributors' and dealers' territories. These percentages represented a one-third increase over last year to take care of the larger advertising campaign.

Having gone over the entire program thoroughly with the distributors and won their pledge of cooperation, Mr. Sayre assigned them record quotas, gave them copies of the charts, supplied them with complete sales kits for their wholesale salesmen and campaign managers, set definite dates for sales schools and promotional events, and sent them home to pass the information along to their organizations.



Department stores and merchants generally have capitalized on the tremendous appeal of early American designs in housefurnishings. In the table glassware field, the old American "Hobnail" pattern has long been an outstanding favorite with American women. Too often it has been regarded as a luxury beyond the average budget. Macbeth "Hobnail" pattern beverage sets have brought this popular design within the reach of millions . . . also within reach of alert premium users who can use it very profitably as an "All-American" feature to advance the sale of American-made goods. A big feature of these Macbeth sets is the modern "Ice-Lip" pitcher which holds ice cubes while pouring. This pattern is available in 7-piece water or ice-tea sets and in 19-piece beverage sets. Tumblers, in various sizes, can be had separately. Write for price and package details. MACBETH-EVANS GLASS COMPANY, Charleroi, Pennsylvania.



# MACBETH

*American "Hobnail"*

## BEVERAGE SETS

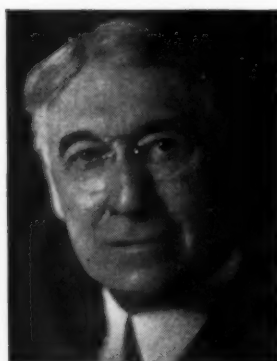
# Five Who May "Rule" Industry with Roosevelt

James W. Gerard's list of sixty-four economic "rulers" of America, which created so much discussion a couple of years ago, is expected to be reduced by President Roosevelt to five, on passage of the National Industrial Recovery Bill.

The members of the Industrial Control Board, who will be in direct charge of establishing self-government in industry under the supervision of General Hugh S. Johnson, director of industries, will probably be Bernard Mannes Baruch, New York financier and lawyer, and close adviser of the President in matters economic; Alexander Legge, president of International Harvester Company; Alfred Pritchard Sloan, president of General Motors Corporation; Gerard Swope, president of General Electric Company, and Walter Clark Teagle, president of Standard Oil Company of New Jersey.

All except Mr. Baruch are supposed to be Republicans. Mr. Baruch, 63, is the eldest; Mr. Teagle, 55, the youngest of the group. The smallest company directly represented is Harvester, with assets of only \$300,000,000; the largest, Standard of New Jersey, \$2,000,000,000. These two are controlled by Rockefeller interests, but all four are financed by the House of Morgan—General Electric, 40 years old, being one of the elder Morgan's earliest ventures in super-mergers. The du Pont family is the largest factor in General Motors.

Mr. Sloan and Mr. Swope have both had extensive selling experience, and Mr. Teagle formerly was in charge of export sales for the New Jersey company. Mr. Sloan started his business career as a salesman for the Hyatt Roller Bearing Company—becoming president of that company prior to its merger in the General Motors group. Mr. Swope started out as a helper with General Electric 40 years ago. After varied experience as a salesman and sales executive with Western Electric, he was general sales manager of the latter company from 1908 to 1913. Mr. Legge has spent 42 years with Harvester, partly in sales supervision.



**Baruch—  
eldest**



**Sloan—  
erstwhile  
salesman**



**Teagle—  
youngest**



**Legge—  
Farm  
Board  
grad.**



**"Swope  
Plan"  
Swope**

All of the members of the control board have done extensive work in the co-operative solution of economic problems. Mr. Baruch was commissioner in charge of raw materials under the War Industries Board. He has been a friend of General Johnson for a long period. Mr. Roosevelt's Recovery Program is said to have been based largely on his suggestions.

Mr. Legge was head of the Farm Board under Mr. Hoover's administration. A mild and modest man, he takes less in "Who's Who" than the others. When, in Washington, he happened to need a new cuspidor, he would go down personally to the storeroom and get it.

Mr. Sloan—tall, thin and quiet—has done some speechmaking on behalf of the return of prosperity and has been active in the National Automobile Chamber of Commerce. Last year he was New York regional head of the Share-the-Work movement, of which Mr. Teagle was national chairman.

Perhaps the most versatile of the group, Mr. Swope is an electrical engineer and a humanitarian. His "Swope Plan" for group solution of the problems of the electrical industry reflected both his executive and technical experience and his social service work. A member of the General Staff of the Army during the war, he served as assistant director of purchase, storage and traffic. He is president of Greenwich House, New York, a social service organization. The French, Japanese and other governments have decorated him.

Standing well over six feet in height, weighing well over 200 pounds, Mr. Teagle, physically, is perhaps the most impressive of the group. He has not "mixed" very much on behalf of social and economic causes until recently.

The five have weathered the storm of the last three years and are probably as able a group of executives as could be formed. Some people, however, may criticize the "big business" aspects of the board, as reflected by these expected members.

*Photo of Teagle by Kaiden-Key-stone; Legge, by Harris & Ewing; Swope, by Underwood & Underwood; Baruch, by Blank-Stoller.*



## Brown Radios Preferred but Green, Red, Ivory Sell Nearly as Well

In connection with the introduction of its Super-Fadalette miniature receiver, in art leather and in burl walnut, executives of Fada Radio & Electric Corporation, Long Island City, guessed that green, red, ivory and brown would be the most popular colors of the leather. They also guessed that 40 per cent of these models should be of burl walnut.

These "guesses," of course, were made carefully. The principal question was which color or colors would prove most popular. Not knowing, the corporation proceeded to produce equal quantities of each of four.

The output coincided closely with public requirements. Of each 1,000 sold the division was: Brown, 171; green, 165; red, 160, and ivory, 142—or a total of 638 in art leather. Instead of 40 per cent of the burl walnut, the actual sales have been 362 or 36.2 per cent.

## McElhinny Heads Frigidaire Commercial Sales Division

W. D. McElhinny—"the first man ever to sell a million-dollar commercial refrigeration order"—and recently vice-president in charge of sales of Copeland Products, Inc., has been placed in charge of the commercial refrigeration division of Frigidaire Corporation, Dayton.

Mr. McElhinny was a pioneer salesman of Frigidaire when it was a department of the Delco-Light Company. Subsequently, he became assistant sales manager in charge of the eastern half of the United States, and then commercial sales manager.

## United Fruit "Ripens" Its Banana Displays

Many an advertising man who has extolled the virtues of sunshine in his copy has seen the sunshine work havoc in his display material. Major H. L. Harris of the United Fruit Company discovered that though posters showed fruit in their natural colors, their exposure in the windows bleached them.

So in recent Meloripe banana posters, Major Harris ran the color two shades darker than their natural yellow. The sun's rays, after a day's exposure in the window, mellow the color down to the desired shade.

## ANA Rejects Young Report; Starts Own Compensation Study

The report of James W. Young, justifying the prevailing system of compensation of advertising agencies by publishers instead of advertisers (SM June 1), was unanimously rejected by the Association of National Advertisers, meeting at New York, June 8.

Pointing out that the ANA had no official connection with the report—made under the direction of a committee composed of R. R. Deupree of Procter & Gamble Company, Lee Maxwell of Crowell Publishing Company and A. W. Erickson of McCann, Erickson, Inc.—the members referred it to the executive committee. This committee will get more data, and perhaps reach different conclusions.

"The range and amount of data" obtained by Professor Young, it was said in an official statement after the meeting, "did not appear to support the conclusions."

This action of the ANA was forecast in this magazine June 1 in connection with an editorial and a news summary of the report. Lee H. Bristol, retiring president of the ANA, pointed out last fall that "most advertisers have for years opposed the agency system of remuneration, with all its inequalities and insufficiencies."

Professor Young's report "reflects a condition which is simply too good to be true," said SM editorially (June 1 SM). "Even in the name of research there are still many persons who feel it unsportsmanlike to tattle or to criticize adversely, especially in the instance of an agency which may, after all, have made valuable contributions to the business over a period of years. Furthermore, many of the questionnaires were filled out by the advertising managers, and their community of professional interest would tend to make them more sympathetic with present agency practices than might be the case with other officers in the same company."

A couple of years ago a group of prominent advertisers met at Greenbriar, Tennessee, to discuss their advertising problems. The meeting led to others, at all of which agency compensation and functions were an important topic. William Benton, of Benton & Bowles advertising agency, acted as secretary of the group, and gave some pointers on agency practices. Then a committee was chosen to take the problem up with agents and publishers. The committee comprised S. Clay Williams, president of



Embattled Mr. Young

R. J. Reynolds Tobacco Company; Walter P. Chrysler, Alfred P. Sloan of General Motors, Colby Chester, president of General Foods, and Mr. Dupree. These met officials of the American Association of Advertising Agencies and of the Periodical Publishers' Association, a magazine group. The Dupree-Maxwell-Erickson committee was then formed, and this committee employed Mr. Young, veteran agency executive and more recently a college professor, to do the job. The other advertising media were not represented. Neither was the ANA, officially.

## Packard Starts to Get Sales Chiefs to Buy

Automobile executives have risen not in arms but with sales presentations on reading the results of a survey among 77 sales executives in various industries (SM May 1), which showed that only 16 of them had been called on by automobile salesmen in the previous 16 months.

William Elliott, advertising and sales promotion manager of Packard Motor Car Company of New York, for example, is sending each of the 77 an "invitation and challenge."

"As a first step," writes Mr. Elliott, "we are putting your name on our mailing list to receive informative literature." And "because I want you to realize . . . the distinguished richness that Packard brings you . . . I have asked a salesman to call personally on you to arrange for a comparative ride."

## "Wholesale" Hotel Rates Sought by National Employers' Group

An extensive effort toward reduced hotel expenses of salesmen is being made by a group of nationally known manufacturers who have just organized the National Commercial Men's Employers' Association, at 840 North Michigan Avenue, Chicago. Traveling large numbers of men and therefore large buyers of hotel accommodations, the group seeks "wholesale" rates.

President of the association is Marvin T. Green, for years promotion manager of larger hotels. J. S. Older, recently merchandising manager of Buckley, Dement & Company, Chicago direct-mail specialists, is vice-president, and J. F. Singleton, who has been an executive of Aviation Securities Corporation and of Armour & Company, secretary-treasurer.

Several months of preliminary work, Mr. Green tells SM, have resulted in the signing up of leading hotels in the more important towns in Illinois, Iowa, Indiana, Ohio, Minnesota, Wisconsin, Michigan and Missouri. The program is being extended to other states. Most hotel executives, it was found, would rather permit reductions to the companies on hotel rates than to spend large sums fighting for the business individually.

Some 250,000 firms in the United States now travel men in various capacities, Mr. Green adds. Three hundred of these travel from 2,000 to 5,000 each, including service men. Five of the largest employers form the nucleus of the organization.

Before being invited to participate, each hotel is checked by a hotel man as to types of rooms available, furnishings, beds, bathroom facilities, sample rooms, garages, free parking, etc.

Mr. Green points out that many hotels in recent years have fallen into inexperienced hands. Anxious for business, some have published incorrect information. Others have given traveling men personal rebates, enabling them to pad their expense accounts. The employers feel that if rebating is to be done, their companies should get the benefit of it. Many employes, under pressure of the times, are using motor camps or cheap hotels, but are writing to their firms on the stationery of better houses.

Under the plan each traveling man will carry an identification card, giving him a specified type of room at a specified price. The organization, if desired, guarantees the bill, which is paid by the employer's home office.

The hotel man makes the rates vol-

untarily. A saving of from 50 cents to \$1 a room a day is common.

As the organization has developed certain tire manufacturers, oil companies and others have made propositions to sell members at reduced prices. Again, volume business from organized groups that can deliver.

The association gets no fees from the hotel, garage, oil companies or others making concessions to the member firms. The work is supported entirely by the member firms, who pay a small monthly fee for each man traveled.

This, it is said, guarantees against the men in charge of the work "feeding" favored hotels for their own gain. It puts the work on a "service" basis.

Frequently, in the larger cities, a number of the better hotels make the group voluntary reduced prices. Because these confidential rates are known to the employers and the men are directed to use certain hotels at a guaranteed price for a guaranteed quality room, "chiseling" on the part of the men is impossible.

"The advantage of group action is obvious," says Mr. Green. "Thirty thousand commercial men spending \$5 a day individually can accomplish nothing in securing volume concessions

or discounts. When this expenditure is combined it represents \$150,000 worth of business per day and much can be accomplished.

"For example, the average salesman making his own arrangements is often told that the minimum-priced rooms are not available. This is not always true, but he, nevertheless, is forced to take a higher-priced room.

"If his firm is a member of the association the identification card he carries will guarantee him the minimum rate regardless of the room assigned. The only obligation on his part is a two-day registration notice.

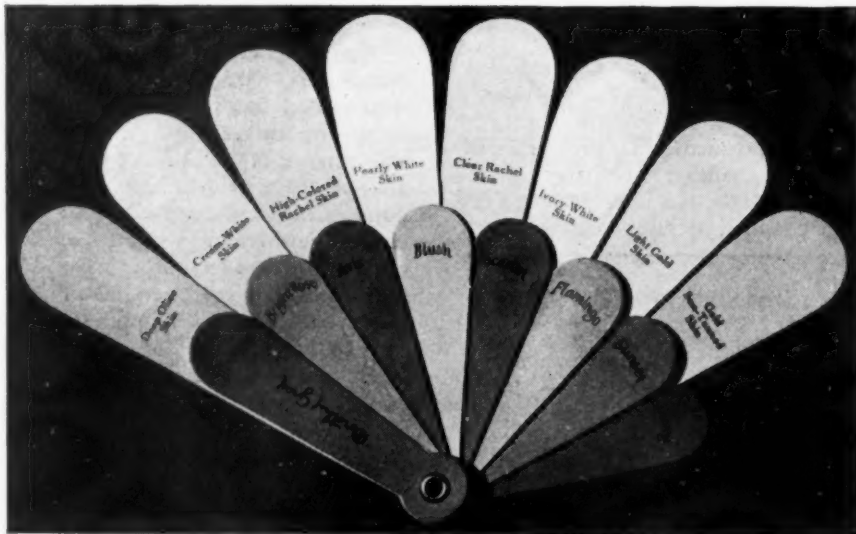
"These prices will always be the rate. At the same time the salesman is assured of the best in room quality and location.

"Savings at cooperating garages average from 25 to 35 per cent. We are working out a plan for collective buying which will mean a vast saving in hotel, garage, parking, tire and other expenses to members.

"We expect within the next few months to extend the plan to every state in the Union."

### Join Sales Executive Group

R. C. Treseder, vice-president of Coca-Cola Company; O. E. Braitmayer, vice-president of International Business Machines Corporation, and C. E. Steffey, vice-president of Addressograph-Multigraph Corporation, were elected members of the American Society of Sales Executives, meeting recently at Hartsville, Ohio.



### Automatic Beauty Expert Tells Proper Make-up

Dorothy Gray, New York, has evolved a "color fan," automatically to tell eight shades of women their proper make-up.

A color engineer reproduced the skin tones on the fan by a new color

process. Each of the eight separate fan panels, about six inches long, is accompanied by a smaller panel giving the correct rouge. A saleswoman places the fan against a client's cheek or throat, finds the nearest match and reads the names of the rouge and lipstick from the accompanying panel.

It is said to rid women of a lot of time and expense in experimenting.



## Britannica and Guild Unite Sales Forces in 4-State Test

A shift from mail-order to personal selling in the distribution of Encyclopaedia Britannica, and a nationwide merger of the sales forces of the Britannica and the Literary Guild, may result from a test now being made in four states—Connecticut, Massachusetts, New Jersey and Pennsylvania.

The test is under the direction of E. H. Powell, secretary of Sears, Roebuck & Company, Chicago, which controls Encyclopaedia Britannica, Inc., New York, and who has been named president of the latter company, in an effort to put it on a profitable basis. About \$500,000 of Sears' \$2,500,000 deficit on 1932 operations, it is said, was due to the Britannica.

Though the set has been sold primarily by mail, the Britannica has always had its own sales crew. This crew is now being merged with that of the Guild in these states, and it is said that 24 Guild salesmen are being chosen as district sales managers for the Britannica throughout the country.

Controlled distribution—unique in the book business—has been an important Britannica policy. The line is short—nothing to speak of but the Britannica, and the unit sale is almost as high as that of a low-priced refrigerator. The company operates four book shops, two in New York and one each in Boston and Washington. The first shop, now in its tenth year, is at 342 Madison Avenue, New York, on the street floor of the building in which the company's headquarters are located. The site was chosen because the address was being widely advertised in newspapers, magazines and direct-mail. The shop was operated as a separate unit of the general business, receiving a credit of 20 per cent of the retail price of the Britannica sets sold there, and selling other books besides. Its first year saw Britannica sales increase more than \$1,000,000, a tenth or more of which this shop provided. In 1930 the shop's sales of the 14th edition, published late in 1929, were \$160,000.

The company also takes advantage of stores in arcades and in locations temporarily vacant. One tiny space, at the entrance to the lower level of Grand Central station, is said to have produced "wonderful sales."

The newest display, in the Paramount Building on Broadway, is open 24 hours a day, and sells a lot of Britannicas *after midnight*. Though the company sells on time, as much as 40 per cent of these orders are cash.

## Cyrus Curtis—Gentle Salesman

(Continued from page 614)

profit on only *one* day since he acquired it in 1924) by the knowledge that it was founded by Alexander Hamilton in 1801, was edited for long periods by such distinguished men as William Cullen Bryant and E. L. Godkin, and published, just prior to his ownership, by Thomas W. Lamont, of J. P. Morgan & Company.

Mr. Curtis entered the newspaper business when 62, largely because of his desire to promote the interests of Philadelphia, his adopted city. Adolph S. Ochs, publisher of the New York Times, then owned the Philadelphia *Public Ledger*, which he had purchased from the Drexel estate ten years before. Without benefit of lawyers or other intermediaries Mr. Curtis and Mr. Ochs got together personally and arranged the deal. Mr. Curtis paid \$2,000,000 for the property. He did not expect to make money on the *Ledger*, at least not immediately. By that time, 1913, he felt that he could "afford to try and see if I could make the kind of newspaper in Philadelphia that I had in mind." Before he was through with the *Public Ledger* and the *Evening Ledger*, however, they were getting quite a lot of advertising. In recent years he (the newspaper part of the business was then known as the Curtis-Martin Newspapers, with John S. Martin, his second wife's son-in-law, acting as general manager) acquired the Philadelphia *Inquirer*. Last year the *Evening Ledger* was outranked only by the New York *Sun* in total retail and total display advertising among six-day papers, and all three of his Philadelphia papers ranked among the first 30 in the United States in all major classifications. The *Inquirer*, it is said, now carries more department store advertising on Sunday than any other paper.

When Mr. Curtis bought the New York *Evening Post* he decided, among other things, that it should have a daily rotogravure section. The experiment proved too costly to last. Lately, however, the paper has started a mid-week roto section, in addition to the one on Saturday.

Mr. Curtis knew from experience the difficulty of getting selling copy. For the *Ledger* he wrote copy himself, and edited most of it, just as he "edited the editors." He also wrote to "sell" Philadelphia. One series in newspapers across the country emphasized advantages of the Philadelphia market. The signature of this copy was the only advertisement of the *Ledger* itself. He was also one of the

first publishers to advertise abroad.

The *Saturday Evening Post* today ranks with Standard Oil, General Motors cars, Wrigley's gum, Gillette razors and Coca-Cola as the most widely sold American product. Some idea of the smoothness of the Curtis machine may be had from the fact that the day a weekly issue goes on sale in Philadelphia, it also goes on sale in places as far away as Basle, Switzerland, and Sydney, Australia.

Mr. Curtis' mild supervision was the oil of the machine. But, perhaps, more than his associates and competitors realized it, he was the generator behind it too.

## Portland Cement Makers Resume Newspaper Copy

Evidence that the building industry at last has come back to life is shown in the decision of the Portland Cement Association, meeting recently in New York, to resume newspaper advertising in many states.

The campaign will re-enforce the association business paper program—both being directed by the Buchen Company, Chicago agency.

## Directs Columbia Sales

E. F. Stevens, former vice-president and sales manager of Brunswick Record Corporation, has become general sales manager of Columbia Phonograph Company, with headquarters in New York.

## Wayne Offers Display Plan for Sales Representatives

Because manufacturers' representatives on the road "have occasion to employ individually dressed window displays in their sales work," Wayne Services Incorporated, Detroit, is installing shadow boxes in leading hotels throughout the country. The display will remain in the box all the time a representative is in the city. The service is provided free to all representatives of manufacturers who employ point-of-purchase advertising.

The first display was installed, under the direction of R. V. Wayne, president and general manager of Wayne Services, at the Fort Shelby Hotel, Detroit, recently. The first representative to take advantage of it was C. Finney, district manager of American Tobacco Company.



## Completeness of New Directory of Technical Trade and Business Papers Attracts Wide Interest

Advertising and sales managers looking for complete directory information on the country's industrial and trade press have shown exceptional interest in the new 1933 edition of *THE MARKET DATA BOOK*. Agencies and manufacturers have found it more complete than any other book containing similar information.

Addresses of publications and complete information about page sizes, circulation figures, closing dates, etc., are also given.

The work of compiling and checking this information extended over a particularly wide field, since industrial and trade catalogs and many other publications of interest to advertising executives are included.

To assure accuracy in every detail, publishers were asked directly for latest figures about their journals. Due to the large number of changes which took place during 1932, the new directory will prove particularly valuable during the coming months.

Since the directory information in this journal includes an expert grouping of papers by fields and markets, sales managers are particularly enthusiastic about it. Advertising managers find the clear indications as to the source of circulation figures (whether A.B.C., C.C.A. or publisher's statement) ideally suited to their needs.

Executives interested in obtaining a copy of this book can secure it at no extra cost by subscribing to *Class & Industrial Marketing*, the monthly journal of industrial, institutional and trade advertising.

The annual subscription cost of *Class & Industrial Marketing*, including a free, post-paid copy of *THE MARKET DATA BOOK* for 1933 is only \$2. Send cash, check or money order to—

**Room 1305  
537 South Dearborn Street  
Chicago, Illinois**

## Industry and Government Control

(Continued from page 599)

else that belongs to him, because of being a more able man.

Take any ten manufacturers today—anywhere—and three out of the ten will stand at the top because of superior mentality, brains, education and practical understanding of not only their businesses but of the whole range of industry. Four more of the ten will have absolute confidence in the three of the first register, and they can, for the reason that an intelligent brain seldom tries to double-cross anyone. Thus seven of the ten can and will think together if a community of interest is established.

### Bad Practices and Price Cuts

This leaves three of the ten on the outside. Two of these three will just be slow in their thinking. Once assured that this is an honorable move, they too will come in. The one left over is Mr. Slickfellow—prostitute may be a better name. He is going to be "agin" you no matter how you go. He is the fellow that the Government says is going to be put into his right place.

This "partnership" thinking holds much relief from present distress, but it will be no better or surer or more productive of results than the honor and integrity residing within an industry.

There are certain "do's" that build profits and there are certain "don'ts" that tear them down, with most everything now in the second class.

Practices: All "bad" practices are not bad provided all manufacturers are not following them. If you as a manufacturer could have exclusive right to free goods, it wouldn't be so bad for you. But, under present competitive conditions, if you get your head so high, through the use of such steps, everybody follows your pace and all are sucked down to the lower price levels.

Differentials in freight, discounts, subsidizing buyers, pirating, etc., are factors that can work themselves out—at least some of them—if the economics of the thing are understood. Every so-called bad practice is a price concession under another name.

You cannot herd all manufacturers in a given industry into one trade association and get anywhere under this new bill. There are manufacturers of outstanding quality, others of largest producing capacity, others whose entire output is through the jobber, others who move direct to the retailer. Then comes the manufacturer who has built

his business on brand name.

The kind of trade association whose cooperative activities were limited largely to convivial personal handshaking at annual meetings and whose members spent the in-between times in trying to do each other out of business is doomed in the future. Presidents of associations will have to be more than "good fellows."

The operating head—the secretary, the executive officer in charge, or the outside counselor—whom I will refer to as "Management"—must have both the power and the courage to refrain from trimming his sails to presidential breezes.

One of the most vital steps is the gathering, assimilating, tabulating and presentation of that statistical information essential to know the facts, including development of uniform cost accounting. Here an outsider in management is more likely to be made a real confidant than is one of the individual competing manufacturers within the industry.

### Developing a Policy Program

Then comes the question of how decisions are to be arrived at—the matter of meetings, codes of ethics, etc.

I don't believe a meeting gets far through the selection of a manufacturer as chairman. And a lot of industries are today trying to do this job among themselves. Management must operate meeting—be fast enough to hold that meeting on the subjects for which it has been called.

Most manufacturers are fed up with meetings. They have been meetinged, associated, coded and instituted to death.

Most codes of ethics are mere pleasantries. A code of reason and sense is another thing. If a subject under discussion has been properly surveyed—if the meeting accepts same and there, through a policy, defines itself, you have the start toward a code. Such a code, with only three policies (built by the members), will do more in one month than your conventional "code of ethics" in ten years.

Any policy effected through a "raising of hand" vote seldom lives. A policy once agreed to must be "sealed, signed and done" by the members, and, where possible, released to the trade—all cards on the table.

Even then the job is only started. You deal with the human equation. Any policy is subject to attack. While we find honor, integrity and desire to shoot square in most situations, the

human equation, in view of competitive conditions, is very frail. The runner may not deliberately miss third base, but in some way he cuts the corner.

Management must do the "policing" job. Don't figure on the Government doing it.

With the policy signed and manufacturers on record, management must then serve as the Investigating Division on all reported breaches or breaks—getting the facts, contacting with the offender, bringing him back into line (if possible). This is the work that brings stability into the policy.

### Major Points in the Bill

It is unnecessary to say that manufacturers must have confidence in management. Able management will earn its spurs through performance—no other way.

Management that establishes its place will move into the position of counselor. This means an important and vital confidential position with manufacturers. Having no ax to grind, no inherited notions or prejudices, management occupies a middle position and as counselors can do an enormous job for the industry.

Looking at the subjects of production, economies, adjustments and operations from the standpoint of either a group within the industry or the industry more broadly—conceding a community of interest has been created—you may see the production men of a dozen different companies meeting together monthly to "pool" their best thinking. It sounds absurd, but it isn't. This Government plan may lead to . . . unusual things.

Some of the least understood points about the new bill are:

*How will production be controlled?*

Production is obviously related to consumption. In many cases if a sane price level is established this will help to regulate production. The manufacturer who has been running his plant to capacity through the chiseling of prices—at cost or below cost—will not be allowed to continue such tactics. Getting Government approval is largely contingent upon the honesty and fairness with which price levels are approached. Both the position of the small manufacturer and the large capacity manufacturer must be recognized as well as the variations of grades of quality.

*What will be the basis of fixing prices?*

It is difficult to be specific on this question. Many differences in manufacturers enter in. It will probably be found that the only basis of fixing prices will be on pegging minimums.

Any plan recommended by a group, bearing on price fixing, must be carefully put together, not alone to insure Administration's approval but to insure its workability and fairness to all.

*Who does the policing?*

A plan approved by the Administration is only the start. Policing becomes the problem of the group, into which will come

the teeth of the law. This problem must be the management's, and the group must insure the right machinery for this through the right management.

*How are offenders handled?*

The Bill, as now written, established a fine of not more than \$500 or imprisonment of not more than six months or both, based on each day that a violation continues.

*Where are these cases tried?*

The Bill "invests" (Section III, C) the several district courts of the United States with jurisdiction to prevent and restrain violations of any code, adding—"It shall be the duty of the several district attorneys of the United States, in their respective districts, under the direction of the Attorney General, to institute proceedings in equity to prevent and restrain such violations."

*Can territory be allotted, or types of products allotted?*

Yes. This could be a very clarifying step in some industries. Success in this is a matter of fact knowledge plus a definite community of interest.

*Will one manufacturer belong to several Trade Associations?*

Very likely this will happen. Still it will be very easy for small groups to think and plan together and present through their own trade association their ticket, apart entirely from the collaboration the manufacturers may be extending to a broader trade group.

At present many manufacturers are pooling their hoped for benefits in with a broad industry trade association under the mistaken thought that the broad group will have better acceptance in Washington. No group can go far together except the interests of the group are in common.

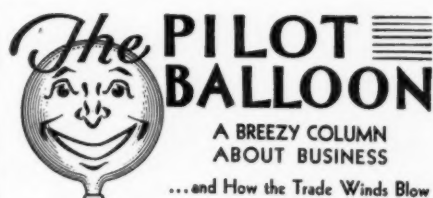
We believe we are right in saying that the smaller group with a definite community of interest within an industry will move much faster than the broad industry trade association.

### Leaders Must Lead!

Finally, the Government expects leaders to lead. The Government will not do the job. If an industry is important to the cycle of things and fails to clean its own house, the Government will do it. If the leaders fail to lead, the "weak sisters" may step forward and tell the leaders where they get off.

For the first time in over forty years (since the enactment of the Sherman law) industry has the opportunity of licking bad, destructive practices, getting a reasonable price and maybe taking some profit. The Government is willing if the public—labor and all—are better served therethrough. And they should be.

Looking now at any group of manufacturers in any industry: don't try to do the job yourselves; don't delay getting the best management on the job that you can find, for it is during the formulative stages that you need help. Not one manufacturer in ten will tell his competitors in a meeting the things that are necessary and vital if this course is to be intelligently charted, but he will tell the management, if satisfied that it is honest.



Conducted by Tom Tell

### POINT OF PURCHASE PROMOTION

SEVENTY-THREE

thousand Tumbling Tabbies recently went to work for Crystal White soap at the point of sale. Tabby is one of those clever toy balloon novelties which are so effective as a premium. Made by The Oak Rubber Company, Ravenna, O. Every child loves Tabby. Offered free with a product, Tabby is an inducement to buy that seldom can be resisted. Has the advantage, of course, of eager assistance from the children in the home in putting over each sale.



### ADMIRATION, TOO

ADMIRATION COFFEE is another to utilize the talents of Tumbling Tabby to induce consumers to buy. And if this idea looks like a good thing to you, the folks in Ravenna have available a veritable galaxy of star performers in promoting sales.

### Trial—and Triumph

FREE balloons will cause folks to try it; goodness in the product insures their continuing to buy it.

### FORCEFUL FOR FRANKFURTERS



FRANKFURTERS, as made by Vogt, become endowed with a personality and popularity that takes hold of public fancy, thru being typified by this jovial character. Just another indication of the way an appropriate balloon novelty enhances the sales appeal. Can you imagine a more effectual method of inducing people to buy a particular wiener—and make them remember it? Here, apparently, it's a case of plussing the flavor to assure a secure place in public favor.

### TRIPLE ACTION

THE TOY BALLOON INFLUENCE in selling, says an authority on sales promotion, is three fold: (1) Crystallizes favorable opinions, created among consumers by advertising, into actual buying (2) focuses attention and effort of dealers on a single product, or line; (3) stimulates enthusiasm among the advertiser's own sales force. The universal appeal of balloons reaches all classes. Dealers are quick to profit by the advantage, and salesmen pep up because selling is made easier.

### Invitation

EVERYBODY who desires to increase sales is invited to get all the facts about the balloon promotion plan. Write to The Oak Rubber Co., 210 S. Sycamore St., Ravenna, O.



# Media and Agencies

## Created Craze

If you should go home tonight and find Andy Gump and Popeye and Captain Katzenjammer chasing Barney Google around your front yard, you can hazard a guess that the Einson-Freeman Company put your children or your neighbor's children up to it.

Usually crazes are spontaneous affairs due to chance or fortuitous accident, but the current mask craze is the product of careful research.



Morris Einson

Morris Einson, of Einson-Freeman, sold tens of millions of jigsaw puzzles to the American public through sponsoring advertisers and through the newsstands, but he didn't create the basic idea. He merely saw a great opportunity, gambled on it, and won.

The mask idea came as a result of observation and research. He noticed the more cheerful attitude created by the "New Deal" and the return of beer. He sensed the growing popularity of inexpensive home amusements. Then his thinking became more specific as he read the Gallup survey of reader interest in various features of the newspapers which showed that 30 per cent more adults read the comic pages than the main news section, and that the children confined their newspaper reading almost exclusively to the doings of the modern successors to the fairy tale. If these characters were so popular on the printed page, wouldn't they be appreciated still more if individuals could more closely identify themselves with their favorites? Masks *might* be the answer.

So he and his associates ran down the history and development of masks from the early times (and their use goes back hundreds of years) to this day—and eventually he signed up movie queens, sports celebrities and creators of leading comic strip characters to release their faces exclusively through the Einson-Freeman Company.

Some 30,000,000 masks are on the way to the public through the sponsorship of such advertisers as Ovaltine, Listerine, Procter & Gamble, Socony, Westinghouse, Ralston, Quaker Oats and others. They are being advertised on the radio and in the newspapers.

Wrigley in a recent half-page in the comic sections of all the Hearst Sunday newspapers advertised nineteen comic masks in exchange for gum wrappers. (Each mask is obtainable for a dozen wrappers and three cents in stamps.) The Hearst syndicate has been pushing in newspaper space the masks of their own comic strip characters.

Mr. Einson hopes that not only children but adults will collect masks. With that thought in mind he has evolved numerous adult games and entertainments in which masks are used.

## Mosse Quits

The long arm of Adolf Hitler reached over to 420 Lexington Avenue, New York, the other day, and proceeded to lock the door of the United States headquarters of Rudolf Mosse, Inc., American affiliate of the famous German advertising and publishing firm.

The Hitlerites began to "coordinate" the Mosse business in April by taking over the *Berliner Tageblatt*. The Lachmann-Mosse family interests relinquished control of the entire firm.

Formerly ranked as the largest or at least the most extensive advertising agency in the world, with 47 offices from Berlin and New York to Buenos Aires and Tokyo (21 of them, however, in Germany), Rudolf Mosse, Inc., has run into financial difficulties in this country. Paul H. Fassnacht, president of the American company, is going to Berlin to persuade the Nazi board of managers to pay claims in full.

## Two Shots at Tennessee

"A double-barreled shot at the Middle Tennessee market is now available through the combination of newspaper and radio," announces Tom Griscom, advertising director of the Nashville *Tennessean*, and J. Leslie Fox, commercial manager of station WSM there. The station, of 50,000 watts, is owned by the National Life & Accident Insurance Company.

Mr. Griscom admits that radio advertising is competitive with newspaper, and holds that efforts to "suppress" it are "both futile and stupid. Newspapers should intelligently sell their own services, not adopt an attitude of ill feeling."

The newspaper's merchandising staff is cooperating with that of the radio station to assist advertisers using both. "Forms of collateral work are being evolved in the preparation of market data to eliminate duplication."

## Washington Post Marches On

When Eugene Meyer purchased at auction the Washington *Post* last week, a merger of personalities was effected which promises to be most significant in publishing circles.

Mr. Meyer, formerly governor of the Federal Reserve Board, is a Republican who left business life at the call of President Wilson to take a position on the National Council of Defense. He has served in important capacities with each succeeding administration, and counts himself a resident of Washington after these years in the capital. His first words, on announcing his sole stock ownership of the *Post*, was to promise the citizens of the city an even better newspaper than the *Post* had been, with no other individual or organization influence in the background.

The *Post* brings as its share of this combination a reputation of many years of leadership in official and political circles, national as well as local. Under the ownership of the elder McLean, and ably edited by Scott Bone, the paper first became a power. It has always retained its following in "official Washington." The

new ownership is hailed by other newspapers as a continuation in Washington of a strong independent Republican influence. No announcements have been received of changes in personnel or policy.

Mrs. Evalyn Walsh McLean, who made a desperate effort to keep the *Post* in the family, has announced that she will start a new paper in Washington for her sons, to be called the *Enquirer*.

## Collier's Crisis

Barron G. Collier, who built up a fortune estimated, normally, at \$30,000,000, from car cards and Florida real estate, asked Federal Judge Ackerman at Tampa recently for an extension of time in which to pay debts of \$13,500,000, due banks and other companies. The court, complying, set a creditors' hearing for Tampa, July 10.

Mr. Collier's normal \$30,000,000 is exclusive, he explained, of his Florida holdings. The largest individual real estate owner there, he owns 1,300,000 acres of land and many business, transportation and communication properties. He bought the land prior to the boom in the hope of developing an agricultural empire, refusing to sell a foot of it throughout the boom, in the teeth of some rather fabulous offers.



Barron G. Collier

Barron G. Collier, Inc., through subsidiaries, controls the cards on almost every local transportation system in the country—a notable exception being New York's new municipal subway. He also operates newsstands and vending machines. His Luna Park, incidentally, is probably the largest "resort" in Coney Island.

"Through 40 years of industry and hard work," Mr. Collier told the court, "a national advertising and vending business has been built up which serves nearly every city and town in the United States. . . . Going back over 10 years, including the bad with the good years, our business has produced an average profit of about \$2,500,000 a year. Therefore, during the extension I seek all of my obligations should be paid in full."

## Beverage News

Some idea of the drinking-capacity of the New York Metropolitan area may be found in the fact that the initial circulation of *Beverage & Fountain Trade News*, just launched by the Larson Publishing Company, 305 East Forty-fifth Street, is more than 13,000. C. R. Larson, until recently with *Soda Fountain*, is editor and publisher.

*Beverage-Merchandising*, published by F. H. Newton, Los Angeles, now appears in two editions, one serving the *Western Bottler, Brewer and Vintner*, the latter combining *Western Malt Dealer and Fountain Products*.



# Merchandising through a Calendar

(Continued from page 608)

6. The line: Sales Office, 213 Congress Street, Boston.

7. The line: Mill, Hyde Park District, Boston.

8. The name of the paper you are to use and the size and weight.

In 1927 the Boston Typothetae Board of Trade asked Mr. James Garfield Clarke to analyze the calendar of that year at a noon luncheon. This turned out to be of such general interest that similar meetings were arranged in all the large printing centers of New England. The attendance at these meetings has increased every year, until, in 1933, meetings have been held before the Craftsmen and Typothetae of Boston, Portland, New Haven, Providence, Worcester, Pittsburgh, Cleveland, St. Louis, Toronto, Philadelphia, New York City and Baltimore, and at the Carnegie Institute of Technology in Pittsburgh, National Convention of Eastern Arts Association in Washington, D. C., and the 12th Annual Conference on Printing Education at Columbia University.

Several years ago the Boston Club of Printing House Craftsmen was given the privilege of selecting the critic, and such well-known figures in the printing industry as V. Winfield Challenger, of the N. W. Ayer & Son organization, of Philadelphia; James Garfield Clarke of Boston; Harry L. Gage, vice-president of the Mergenthaler Linotype Company; Charles R. Capon, artist and designer of Boston; Laurance B. Siegfried, editor of the *American Printer*, and this year Gilbert P. Farrar, typographic counsellor for the Intertype Corporation and director of typography for the Condé Nast Press, have been selected.

Although the calendar is ten years old, a larger number of meetings will be held in 1933 than in any previous year.

## Procedure for Critics

The usual procedure at the calendar meetings is for the critic to express his opinion of each sheet, pointing out its good points and its defects. After he has finished his criticism, the audience express their opinions, many times disagreeing with the critic and obliging him to defend his criticism. In this way a vast amount of typographical information is given to those attending the meetings.

At the meeting held by the Boston Typothetae this year, it was agreed that this year's calendar represented the best job done thus far on the T & H annual. A slightly different method for choosing the participants

in the creative work was followed this year. Four of the 1933 calendar sheets were produced by critics who have analyzed the calendars of previous years, the remaining eight being produced by printers who, in previous years, have received approval at the hands of the critics.

The calendars were originally distributed only in New England, but now distribution and even the calendar meetings have spread as far as the Middle West. When each calendar is mailed out, a post card is sent with it, asking the recipient to vote on which page he considers the best. (The designers' names do not appear, so neither the formal critic nor the public knows for whom he is voting.) The general popularity vote does not always agree with the critic's choice, it is interesting to observe. The February sheet (reproduced on page 608) was by all odds the most popular in the general balloting. But Mr. Farrar chose October (reproduced) for first mention, with August second.

## Why I'm Sold on Straight Commission

(Continued from page 604)

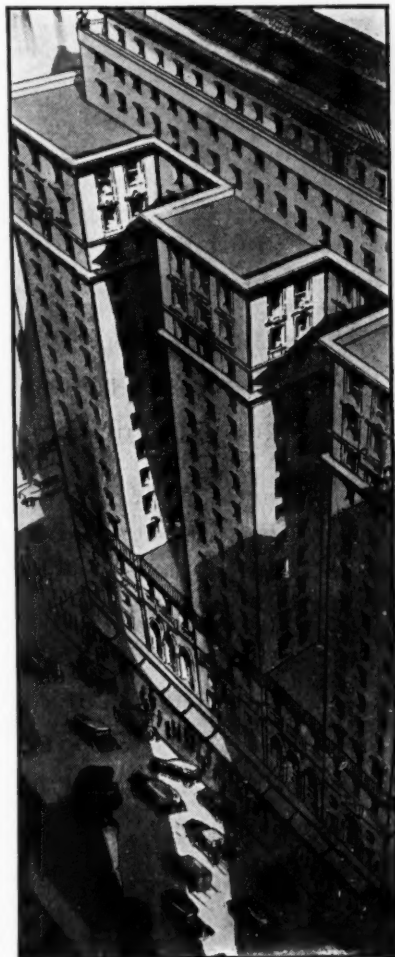
market charts, is just another one of those "big business illusions," or is practical enough for Joe Biff, Average Salesman, to understand and cash in on.

When the force is properly stimulated the commission system of payment has a tendency to keep the selling activity at top speed. In the case of the commission force, the working out of sales volume does not cost the management as much money as it does in the case of the salaried salesman. Furthermore, the commission system eliminates many of the costly mistakes incident to executive misjudgment. In our own case, we are not able to judge—except in a broad way—which salesmen are going to make good when we first put them on the force. Frankly, we are not sure that we shall ever be able to weed the good from the bad by any pre-test we could develop. So we must find out by trial and error. We put the men through training, which, in our case, has become a continuous function. Out of every training group some succeed, the rest pass out of the picture. It has cost us only the part-time cost of the man who does the training. We let our sales managers take the new salesmen out

(Continued on page 631)



## GOING TO NEW YORK?



## NEVER HAS SUCH A FINE HOTEL OFFERED SUCH REASONABLE PRICES . . .

Rooms—delightfully furnished in the early Colonial period from \$4.00. Breakfast in bed if you wish, 75¢. Luncheon in the famous Roosevelt Grill \$1.00. Only the prices have been reduced. Roosevelt standards of service and courtesy have been rigidly maintained.

## The ROOSEVELT

Edward C. Foxx, Managing Director  
Madison Ave. and 45 St., NEW YORK  
A UNITED HOTEL

# C o m m e n t

**THE BULL MOVEMENT:** Stocks mounting! Speculative fever already rife in certain quarters! Many commodities steadily rising in price! Composite commodity indices showing a real upward movement! Business men gaining confidence! Volume of trade, retail and wholesale, picking up! Here and there, even wages mounting! What does it all mean? Does it mark the real end of the depression? . . . The primary explanation of the recent improvement lies in the fact that the horrible forces of deflation have at last been overbalanced by the curative forces of reflation. As SALES MANAGEMENT has always contended, the basic need was not one of more currency, but rather one of arresting the vicious and insane contraction of the credit volume. We still hold that, insofar as business itself is concerned, the bottom of the depression was reached last summer, that March, 1933, was distinctly a credit crisis, and while the closing of all banks (preceded by holidays for many) necessarily put a temporary crimp in business activity, the quick rebound in business activity which followed proved conclusively that business of itself was already (and irresistibly) moving upward. . . . The remarkable rebound was accomplished in the face of such technically adverse factors as (a) suspension of gold payments, (b) many banks, involving billions of deposits, remaining closed, (c) a change from conservative to liberal government, particularly in the realm of finance and international affairs. . . . When business can come back as rapidly and as vigorously in the face of such circumstances, we see no reason for doubting that business as a whole is moving upward and that in a fundamental sense it has been doing so since last summer. . . . In order to arrest the deflation of credit which was sweeping all before it, government credit had to be employed on a gigantic scale—a scale so gigantic that only the Federal Government could do it. We have, in effect, transferred operating deficits in the national budget to capital loans based on government credit and secured in large measure by private assets. Finally, the total credit pumped into banks and other financial institutions, into farms and farm commodities, directly or indirectly into home mortgages, into railroads and into a number of other channels, resulted in credit reflation offsetting the mad pace of credit contraction. This reversal of trend in the credit structure means that credit crises are no longer likely to stampede even for brief spells the normal progress of business to higher levels. . . . We have mentioned two highly important reasons which indicate why the recent bull movement is sound and will be sustained. There are others, including several whose effects are being anticipated in some degree, but whose tangible results are still to be felt. Rising prices and the attendant public psychology are bringing more and more

dollars out of "storage." Spending, whether for commodities, manufactured goods or securities, accelerates the upward movement. The financing of farm mortgages by the Federal Government is still in its infancy. The financing of home mortgages on a similar basis is still to come. The major effects of the pending National Industrial Recovery and Public Works Bill are only beginning to make themselves felt as regards labor, as regards the credit structure of private business, as regards the diverting of competitive effort from profitless sales to intelligent sales promotion aimed at increasing the volume of consumption, which, in turn, raises production and employment volume. . . . All of which argues for business men to play the bull side in the active conduct of their business affairs.

**ISOLATION VS. INTERNATIONAL TRADE:** Early this month we heard James D. Mooney discuss the factors that confront America in the international situation. He is vice-president of General Motors. Of course, SALES MANAGEMENT thinks that Mr. Mooney is uniquely qualified to speak with authority on such matters; in fact, we agree very largely with him. But it does seem to us that one important research job remains to be done before most business men will subscribe very whole-heartedly to the idea of looking to international trade as a major solution of our economic problems. The point is this: *Just what do the international trade proponents want us to import in substantial quantities as an offset to winning export sales for our own goods, particularly farm products?* . . . We think somebody arguing strongly for the international trade will perform a close to heroic service if he gives us *specific, authoritative* data on (a) *just what products* we can import from foreign countries, which we are not now importing in a quantity reasonably commensurate with the present status of our national purchasing power; (b) *just what quantities* of each of these products it is proposed that we import; (c) just how much domestic production and consumption now prevails in the case of each of these products; (d) just how much American labor will be thrown out of employment in the event of our importing the proposed quantity of each of these products; (e) just how much of each of these products will presumably come from each of the principal nations now heavily indebted to us, to wit, England, France, Germany and Italy. Let's accept the general thesis that it is desirable to increase simultaneously both imports and exports and concentrate on the detailed phases of how much of what can be sold, and to whom and how much of what it is proposed we buy and from whom.

Ray Bill



## Straight Commission

(Continued from page 629)

and help them with their first order. Under the salary system, this method would be prohibitively expensive. As a matter of fact, every sales training method under the salary system is tremendously expensive. Even where a company has established the safeguard that a new salesman will be tried only for a specific length of time, the company loses money in the selection of the few good salesmen out of the whole training group. What usually happens is that the general sales manager picks an applicant and puts him on salary. At the end of three months the applicant hasn't made good and knows it. Yet the general sales manager hates to admit defeat and quite often gives the new salesman another three months' trial, during which period he probably spends a great deal of his own time and that of his assistants in an effort to salvage the wreckage. Once in a while his effort is successful. In the majority of cases it is not, and the sales manager has only thrown good money after bad.

### Even for Sales Managers

Under the commission system then, no salaries are paid in the sales force unless the work is strictly executive. If I had my way, I'd even put the sales managers on commission as we do in our organization. This procedure would, of course, put a premium on getting business—which is what a sales force is for, though many may seem to have forgotten it. Functions that are not strictly selling should be classified as such and salaries should be paid for this work. In our own organization there are only two salaries paid in a sales force of under four hundred.

I suppose that some readers will feel the impulse to call the all-commission system I endorse "cold" or "inhuman" or "unjust" from the standpoint that it penalizes too severely the less capable men and doesn't take into account the fact that all salesmen have unproductive streaks. Perhaps so. But I cannot see that it is any less inhuman in its effect than the dropping of wholesale numbers of salaried men which took place in so many concerns when retrenchment policies went into effect, or the reduction of salaries paid to the remaining men. When it takes better salesmanship and more effort and greater resourcefulness to get sales, as it has taken during the depression, to offer a man less money for doing a job twice as hard just doesn't seem to make sense to me.

# Certainly

## ADVERTISING MEN ARE HUMAN!

They've got to be. Else, you would not have Gordon Seagrove's smart Listerine stuff, Phil Lennen's Lysol messages to men, or Messrs. Benton's and Bowles' potent Hellman's advertising.

These, and not a few other effective copy appeals, are based upon personal problems. Problems dealing with health, feminine hygiene, family relationship, child care, beauty, diet or psychology. Such problems are not of such universal interest to command the immediate attention of the Senate, Prime Ministers or the League of Nations, but they do get instant reading from the millions and millions who compose the magazine audiences. Because these people are personally concerned with similar problems of their own.

That's why Seagrove, Lennen and other ace craftsmen build their ads around such human problems. Nothing interests people more than themselves.

Frankly, that's why, too, the editors of Physical Culture Magazine have long made it a practice to include always in their editorial programs a variety of articles concerned with personal problems. Timely, absorbing, human articles prompted by thousands of voluntary communications received from troubled readers asking the editors' advice on pertinent personal problems. All of these infinitely helpful features are gathered from readers' actual experiences.

Many are intimately written in the first person.

For instance, in the July issue of Physical Culture Magazine, there are a number of articles and features touching upon typical, every-day problems which the quarter of a million readers of Physical Culture Magazine are facing and of which they are seeking a solution. Among these are "How Much Should We Spend for Dinner"; "The Art of Facial Beauty"; "Frigid," an anonymous article, which deals frankly and honestly with a marriage problem that has wrecked the happiness of a million homes; "Depression Gave Us a Higher Standard of Living," "When Old Age Is Happy," and "The Unmaking of a Neurotic."

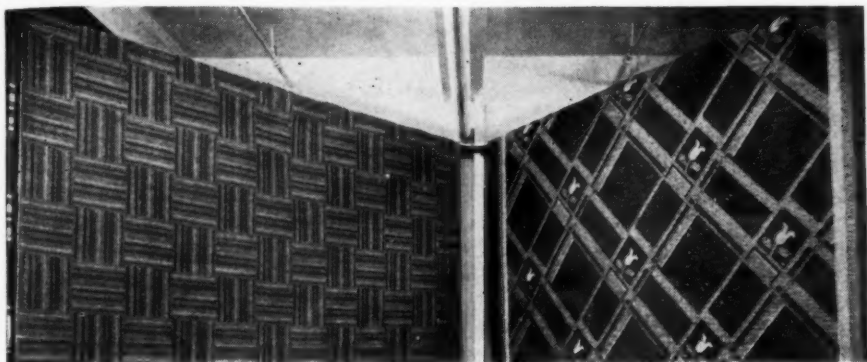
As the titles of these articles poignantly indicate, all are directly attuned to the needs of the quarter of a million readers of Physical Culture Magazine, enabling them to find the right solutions to their own problems. Because Physical Culture repeatedly renders such authoritative and adequate assistance, its editors are rewarded with a loyal and responsive audience second to none.

*John F. Learter*

AN ADVERTISEMENT FOR PHYSICAL CULTURE MAGAZINE







These are the modern versions of those out-moded "Ingrains" that used to be so popular a generation ago. The looms on which Ingrains were made had stood idle for many, many years, until an industrial designer studied their possibilities and discovered that they could weave rugs contemporary in design.

## Salvaging by New Design

(Continued from page 607)

your reporter, "that Chase's line is peculiar in lending itself especially well to this kind of treatment? Would manufacturers of other types of products find it as profitable to use designers for salvaging purposes as Chase has found it?"

"Not always to the same degree, of course, as Chase. But I think any manufacturer of consumer products would be wise to let a designer with a trained imagination go over his line every once in a while. Some manufacturers can do their own salvaging, but the advantage of a designer lies in the fact that he has a fresh point of view and 'sees' where the manufacturer has been blinded by his own nearness to his products.

"Even in such diverse lines as textiles, wallpaper and furniture, salvaging has wrought miracles.

"Leshner and Whittman, textile manufacturers, for instance, had on hand a huge stock of gray dress fabric which they couldn't budge. Donald Deskey superimposed on it a clever modern design—and now it's one of their fastest-selling upholstery and drapery fabrics.

### New Color Saves Old Pattern

"Or take the case of Thomas Strahan, wallpaper manufacturer, who had several old papers that weren't moving. The company had practically resigned itself to taking a total loss on the lot because the designs were considered too hopelessly old-fashioned. It was bad, because to discard these patterns would have meant scrapping the expensive rollers used in printing. Gilbert Rohde looked over the line, and saw that it wasn't the patterns that were bad; it was the colors. He recolored the line, and it was so transformed that not only did

it sell well, but one of them was selected as the wallpaper for the bedrooms of a model home at the Chicago World's Fair.

"One more example of salvaging by design occurs to me—in the furniture field.

### He Juggled the Slats!

"The H. C. White Company had in its line a collapsible armchair constructed of wooden slats which several years ago sold in great volume. Demand for the item ceased with unexpected suddenness, leaving the manufacturer with great quantities of the slats used for making up the chair.

"The company called in Lurelle Guild, and asked him if he could make something salable out of that pile of slats. He designed a chair which utilized all of the old slats, required no new ones, and with the aid of a modern, sprightly-looking cretonne, produced a chair which is in no way suggestive of the one it replaced. Only a trained eye would notice that in juggling the slats the armpiece was used backwards. Mr. Guild discovered that by turning the arm backwards, it threw its narrow section forward, and the narrow part of the arm's width was found to correspond exactly with the width of the front upright slat. In joining the slats Mr. Guild rounded off the joint, achieving a finished effect. And, believe it or not, the chair is a best seller—and it's not cheap, either."

Mr. Wright smiled at his own enthusiasm on the subject of salvaging, and explained that the reason perhaps that he considered it such an important part of the designer's role was because he manufactures so many of the products he designs in his own small factory.

May I  
GIVE  
you this  
book on



## DICTATING Letters?

Some of us can sit down with a pad and pencil and "sweat out" a pretty fair letter. But when it comes to DICTATING letters that bring business, pacify angry customers, revive inactive accounts, or collect money long past due, we flounder about, make two or three false starts, and finally wind up with a message that is stiff, stilted and lifeless.

Why is this? Where have we fallen down? Just what are the secrets of DICTATING letters that compel attention—letters that get what they go after?

Jack Garrett knows these secrets. For 15 years he has DICTATED letters for big mail-order houses who must get RESULTS from postage stamps. After much persuasion, I induced Garrett to write a book, telling just HOW he does it. It is a fascinating book, because the author has put on paper the elusive secrets of making up the other man's mind.

This book, "Take a Letter . . ." sells regularly for three dollars. I shall be glad to send you a copy of the standard edition at that price. But—I would much prefer to give you a copy, with my compliments, with your order for my Letter Laboratory at the regular price.

The Letter Laboratory, you know, is an eight-section portfolio of letter data, indexed for ready reference. It presents and analyzes scores of letters that brought inquiries and orders; letters that opened new accounts and revived old ones; letters that gained the cooperation of wholesalers and dealers; letters that inspired salesmen and agents adjustment letters; good-will letters—the whole range of business correspondence.

**Summer Special:** To reduce our inventories and dodge the much-dreaded "Summer Slump," we will include with every order for the Letter Laboratory, at the regular price of \$7.50, a copy of Garrett's **Take a Letter . . .** without additional charge. Regular \$10.50 value for only \$7.50. But, remember, this is a Special Offer for immediate acceptance.

On this Special Offer, we request cash with order, to avoid bookkeeping expense. But we'll " earmark " the money, and you may have it back if you aren't entirely pleased with your purchase. Mail your order NOW, before this offer is withdrawn!

**MAXWELL DROKE**

P. O. Box 611-F

Indianapolis, Indiana





## LOW RATES

You can always find comfortable rooms-hospitable service and excellent inexpensive cuisine....

FROM FOUR DOLLARS  
A DAY

•  
**MARK HOPKINS**  
OR  
**THE FAIRMONT**  
**HOTELS**  
OVERLOOKING  
**SAN FRANCISCO**

four minutes from  
Shops and Theatres.  
Garage in building

•

## EVEN THE OCEAN'S AT YOUR FEET

The sea is right at the front door. Live all day on the beach, if you like. Play golf. Sail out to sea where the fish are biting. Have a chat in the cool lounges of the hotel. Or on the Ocean Deck, with the sea and the Boardwalk at your feet.

At Chalfonte-Haddon Hall, thoughtful service and a friendly hospitality conspire to make your holiday successful. Economical rates. American and European Plans.

**CHALFONTE-  
HADDON HALL**  
ATLANTIC CITY  
Leeds and Lippincott Company

## "LMC" Makes 1932 Its Peak Year

(Continued from page 610)

are continually on the alert for new representation in communities where they consider the present representation inadequate. That may mean the addition of more men as agents or the replacement of weak agents with stronger ones. Usually the men selected have had some insurance experience, but under every circumstance the man selected has good standing in the community and is well known.

"After securing our representatives," Mr. Luthy continued, "we do not leave them to shift for themselves as best they can, but our field supervisors are in regular contact with them, meeting with each on the average of once every two weeks. This keeps turnover on the sales force at a low figure. So also does the fact that the high rate of voluntary renewals keeps the agents well satisfied with their connection, particularly after a fair volume of business has been written. This factor allows the agent to increase his new business without having to spend such a large proportion of his time making solicitation for renewal contracts.

"The regular contact between supervisors and agents has not proved to be an added expense burden but actually a means of lowering selling costs. Our representatives have the benefit of experience and knowledge of insurance problems to aid them not from a distance of many hundred miles, but rather right on their own battle ground where such help is of the most value.

### Promoting Accident Prevention

"Training of agents consists primarily of field work with trained supervisors. In addition, there are state meetings where new policies and similar matters are discussed. The company does not pay the expenses of the agents to these meetings, however, and the fact that the attendance is usually high indicates that the men consider the time and money involved well spent.

"And then we have our Safety Engineering Department. Accident causes and their prevention are carefully studied and the facts are regularly brought to the attention of our policyholders. Such information is carefully considered by them for, after all, it is to their direct benefit to reduce accidents, with the consequent reduction of loss payments, which, in turn, helps to make possible dividend savings to policyholders.

"Another policy which has done much to increase the value of our serv-

ices is the efficient functioning of our claim department. We consider that our policy of prompt settlement of just claims has a tremendous effect in increasing customer good will. We have claim adjusters in every part of the country, who serve promptly and effectively. As there is only one company of any kind in the country which wrote so much automobile insurance in 1932 as did the LMC, great value must be attached to the importance of prompt claim adjustments and the services which our claim department representatives render."

But what of advertising, and of what importance is it to this carefully developed plan of management and sales? In answer to this question, Mr. Luthy said:

"Advertising material in various forms plays a most important part in correlating our various business building programs. It keeps our entire staff informed of our efforts, our policyholders are informed of their company, representatives are given new sales ammunition, and the prospective customers are supplied with facts upon which to base their selection of policies. At periodic intervals a staff paper in newspaper style is distributed to all members of the staff organization. "The LMC Bulletin" goes to all representatives bi-monthly and an attractive loss prevention bulletin, "Kemper Insurance" is mailed to all policyholders quarterly. Suitable subjects, amply illustrated, are included in each.

"Safety literature is prepared for all major classes of risks. Bulletins for posting in the shop, booklets for the children and grown-ups to read and digest at home; informative and helpful literature. Then there are booklets and broadsides on the various classes of risks we write, such as automobile insurance, compensation and public liability, personal accident, burglary, plate glass, etc., all requiring their own special treatment. Attractive display stands for this literature are available at cost to all representatives, and they use them, too."

### Local Advertising Tieups

One rather interesting example was a booklet sent to holders of automobile accident and liability policies in which were illustrated various types of situations which might arise on the streets or highways, showing how the careful motorist would drive his car under such circumstances to prevent accidents. Another, a booklet in color and



verse, with space for the coloring of outline drawings, all directed to the children, stressed Safety First.

"Then we have our national advertising program using several recognized publications of national scope. Supplementing this, we cooperate with the National Association of Mutual Casualty Companies, in their national advertising campaign.

"Do you pay a whole or a part of direct advertising done by representatives, or just how is that handled?" we asked. "After a careful study of that problem," replied Mr. Luthy, "we concluded that we could best serve our representatives by furnishing mats for their newspaper advertisements and providing a copywriting and counselor service for all local advertising campaigns. The representative pays for such space or other media that he may use. We are great believers, however, in local newspaper advertising to pound home our message, increase the representative's prestige in his community and solve local sales problems that could not be handled in any other manner."

One of the most effective means of getting agents to advertise locally is the printing of typical campaigns run by agents, in the bulletin which is sent regularly to all company representatives. This shows the type of local copy appeal which has gotten good results in typical cases, and helpful suggestions are offered to get other representatives to use similar sales and inquiry-producing advertisements.

### 3 Days' Training for Rookie Salesmen

(Continued from page 601)

unknown buying motive, such as the economy of the refrigerator or other appliance, or its health (safety and protection) features. He shows how, in the closing, the appeal reverts to pride, or convenience.

The instructor illustrates the "you" attitude, which may be likened to swimming with the current, rather than against it; shows how this attitude is contrary to the natural habits of a salesman, etc. Speaking for the housewife, he shows how she is interested in the health of her family, in saving money, etc., and how she cannot fail to be interested in the refrigerator, etc. *Note:* Such a program would be unduly long if every detail of the instruction were listed. Enough detail has been given, we believe, to show that everything is dramatized, acted out, illustrated and driven into the mind of the salesman. Once he appreciates the significance of the "you" attitude

he can work out his own technique.

2:00 P.M. Recess.

2:05 P.M. Each man again approaches, showing how he would avoid the "nuisance" classification in the housewife's mind by involving, concealing yet revealing his real mission to such an extent that he puzzles the housewife, arouses curiosity and makes it easier to let him in than not to.

2:20 P.M. Illustration of reaction patterns, etc.

2:30 P.M. Why men are nervous in canvassing; how to avoid it, etc.

2:40 P.M. How to make out an order. Each man makes out an order. Instructor offers to take any man to lunch whose order is perfect. Instructor corrects each order as it is completed.

3:10 P.M. Recess.

3:15 P.M. Developing the need. Survey of refrigeration, or other needs, in the home. Issues blank survey sheets and shows the usefulness of each question.

3:45 P.M. How to show an advantage by—(1) telling, (2) questioning, (3) concrete evidence.

4:00 P.M. Proving an advantage to get action; what conviction is. How to build up in prospects the conviction they should buy a G. E. refrigerator.

4:15 P.M. Instructor simulates a selling situation where student is attempting to make an appointment with the housewife, for the evening closing interview. As housewife he asks price and then falls in a faint when the student says \$250, etc.

4:25 P.M. How to avoid price issue, when it comes up at the wrong time. Questions.

Tuesday, 9:30 A.M. to 4:30 P.M. Factual information on products; their use; common objections, and how to answer, etc. Showing of motion picture films "How GE Icing Unit Works," etc. Also slide films "GE Pays for Itself," "On the Top," etc.

Wednesday, 9:30 A.M. Instructor simulates closing situation, and gives each man a chance to close.

10:30 A.M. Films "Message from Mr. Quinn," "Closing the Sale," etc.

11:30 A.M. Practice on objections.

12:30 P.M. Lunch.

1:30 P.M. Handling competition.

The training period as just described doesn't put the applicant into the field a full-fledged salesman. It has, however, given him the working materials of his profession. If he has followed the training faithfully, he is prepared for the worst. Whether or not he becomes a producer is dependent upon his innate ability, and his training is now the job of his field supervisor and his branch manager.

## Good Clothes Make Sales



As every successful sales manager can tell you. And good clothes can only mean custom tailored garments.

You'll find Shotland & Shotland clothes tailored to your pleasure—in fabrics—in excellence of design and workmanship and the price will please you.

Call at our establishment and inspect our selection of summer fabrics. Sell yourself a custom-tailored suit.

BRyant 9-7495

**Shotland & Shotland**  
...Custom Tailors...  
15 WEST 42ND STREET—NEW YORK CITY, N. Y.



*A Delightful Hotel Experience Awaits You in Boston . . at*

*The*  
**Hotel Kenmore**

Commonwealth Avenue at  
Kenmore Square. Subway  
entrance at Door.

We pride ourselves upon the service and conveniences offered our guests. You will delight in the quiet luxury. 400 outside rooms with shower and tub . . . circulating ice water. . . . Cozy Coffee Room or Empire Dining Room. . . . Free Parking for your car. . . . Centrally located—handy to all parts of Boston.

Let us send you a booklet  
"HISTORICAL BOSTON"



These most valuable booklets of the month will be sent free to executive readers who make a separate request for each one on their business letterheads. Booklets will be mailed by the companies which publish them.

Address SALES MANAGEMENT, Inc., Reader's Service Bureau, 420 Lexington Avenue, New York.

## Markets

*The Modern Reader and Her Home:* Gold Medal, Pillsbury and Swansdown flour are preferred, and 64 other brands are used to greater or less degree, in these homes some 837,000 homes where dwell readers of Modern Magazines—*Modern Screen* and *Modern Romances*. Majestic, Philco and Atwater Kent radios lead—but 113 other brands (some surely extinct) are in use. Hotpoint, American Beauty and Westinghouse electric irons are far in the lead of competition. General Electric, Frigidaire and Kelvinator refrigerators top the list of that classification of home purchases. Lipton and Salada tea seem unqualified favorites. Maxwell House, Chase and Sanborn, and Hills Brothers coffee are preferred (with A & P's Eight O'Clock and Bokar close behind). And so goes a most interesting compilation of brand-named purchases in the homes of these Modern readers, secured by questionnaire, and projected to cover the entire circulation. You may agree, or not, with the findings—but if you're interested in any of these products mentioned, or in vacuum cleaners, automobiles, breakfast food, canned fruit, canned beans, canned soup, mustard, laundry soaps (bar, flake and powder), you will get a kick, or a pat on the back, from the report as issued. Available on request to this department.

*The Northern California Market:* One of the first major market studies to be completed since the publication of SALES MANAGEMENT'S 1933 Survey of Spending

## National Merchandising Experience — For Sale

An alert minded sales executive familiar with twenty different trade channels would like to help make profits for a progressive manufacturer.

Experienced in all the phases of sales direction and distribution, has built productive national sales organizations, and provided them with ideas and plans which produced results.

Ideas he originated and developed in recent months broke the depression for an Ohio manufacturer and produced sizeable profits.

He has unbounded energy and is quick to recognize new uses, new markets, and new possibilities in the sale of products. He has had broad experience in product and package modernization, devised and successfully promoted profitable premium campaigns, created merchandising displays that changed shelf-warmer into sales leaders.

A strong personal salesman with comprehensive national marketing, advertising, merchandising and sales promotion experience.

He may be the man you need to bring additional profits through new sales.

Box 378

**SALES MANAGEMENT**  
420 Lexington Avenue  
New York, N. Y.

Power, which is cited as one of four major sources, is this study of the forty-seven counties in Northern California. This area is divided for sales purposes into three distinct market areas—San Francisco, Oakland and Interior California. A moment's study of the topographical map illustrating these divisions shows how the Sierra Nevada range on the east, the Coast range on the west, and the Sacramento Valley affect the population, and thereby all sales factors. Although the James McClatchy Publishing Company, with newspapers in Sacramento, Fresno and Modesto, is interested in only these three sections of the entire area, voluminous market information is given for the entire area, including San Francisco, Stockton, San Jose, Oakland and fifteen counties listed only as "scattered counties." Latest statistics are given on population, literate families, spendable income, retail sales (food, drug, automotive, filling station and garage), passenger car registrations, wired homes, radios. Each market area is discussed with a degree of brevity that will be appreciated by executives interested only in the major factors.

*Valuable Data, 1933 Edition:* Each year about this time the New York *Sun* publishes, anew and revised, a reference book for buyers of advertising. Buyers who are in, or should be in, the New York market, that is. The book is a complete analysis of the New York market and the newspapers which serve that market. It pictures the sales opportunities, the newspaper circulations and their respective lineage in the several classifications of national advertising, including the amount in lineage in each newspaper placed by each large advertiser. It also describes in considerable interesting detail the *Sun*, its editorial content, rates, circulation and advertising records. For the marketing executive it is a mine of information on all the standard factors—building, owned and rented homes, incomes, etc., etc. The book is large, handsomely bound, and published in a limited edition—limited, that is, to sales and advertising executives who are seriously interested in this New York market. Write this department for a copy immediately if you qualify.

## YOUR BUSINESS WILL SOON CHANGE . . .

under the administration of the Agricultural Adjustment and Industrial Recovery Acts. This revolutionary legislation will affect every business in the United States.

Successful distribution will soon require the answers to many questions regarding these drastic laws.

Save yourself the time and expense of trips to Washington. A special correspondent of wide experience in the business field (11 years in the nation's capital) is in a position to procure facts and information of vital importance, and report them to business executives. Familiar with all sources of information, and with many established contacts in the departments of the Government, he will serve a few clients of the highest class on a confidential basis.

Address:

**JAMES TRUE**

1102 National Press Bldg.,

Washington, D. C.

## PHOTOSTATS

COMMERCE  
PHOTO-PRINT CORP.

42 Broadway 33 West 42nd St 80 Maiden Lane  
Tel LONGacre 8645

## PHOTOGRAPHS

## Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display.

Cash Basis Only. Remittance Must Accompany Order

### EXECUTIVES WANTED

IF YOU ARE OPEN TO OVERTURES FOR new connection and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service of recognized standing and reputation through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each client's personal requirements, your identity covered and present position protected. Established twenty-three years. Send only name and address for details. R. W. Bixby, Inc., 118 Delward Building, Buffalo, N. Y.

### POSITION WANTED

YOUNG COLLEGE GRADUATE (SCHOOL of Business Administration), strong personal sales

ability, capable correspondent and knowledge of modern merchandising methods. Desires to build permanent career in the sales department of a growing organization, but genuine opportunity for promotion must be present. Excellent reference from present employer. Age twenty-five, single. Location unimportant. Can travel when necessary. Please address Box 376, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

### SALES REPRESENTATIVE AVAILABLE

SALES REPRESENTATIVES HAND-PICKED to order by any or all of 30 key employment agencies in 30 key cities; salary or commission; no cost to firm for salaried placements. National Sales Board, Department 1, 176 West Wisconsin, Milwaukee, Wisconsin.

TORONTO  
MONTREAL  
WINNIPEG  
LONDON, Eng.

**GIBBONS KNOWS CANADA**

REGINA  
CALGARY  
EDMONTON  
VANCOUVER  
VICTORIA



## A SALESMAN WOULD GIVE HIS EYE TOOTH

THESE are hectic days for marketing executives and other company officials who are responsible for sales and profits. They have more office and field work, more interruptions, than ever before. So more and more they act during office hours, and plan in the privacy of their homes. As a part of their planning they read business magazines—to find out how the other fellow has solved bothersome problems—and when they are thinking about markets and media and sales or advertising services and materials, they are most likely to be impressed by advertisements about those things. A salesman would give his eye tooth for an invitation to draw up an easy chair beside the executive pictured below. He won't get it—but the executive does invite the salesman's boss to make the presentation on a magazine page. In the past 12 months one-third of the marketing executives entering new or renewal subscriptions to **SALES MANAGEMENT** have ordered it sent to their homes.



of  
In-  
lu-  
ery  
re-  
ons

se  
ial  
in  
the  
to  
of  
to  
all  
ith  
de-  
will  
est

S

n Lane

HS

y.

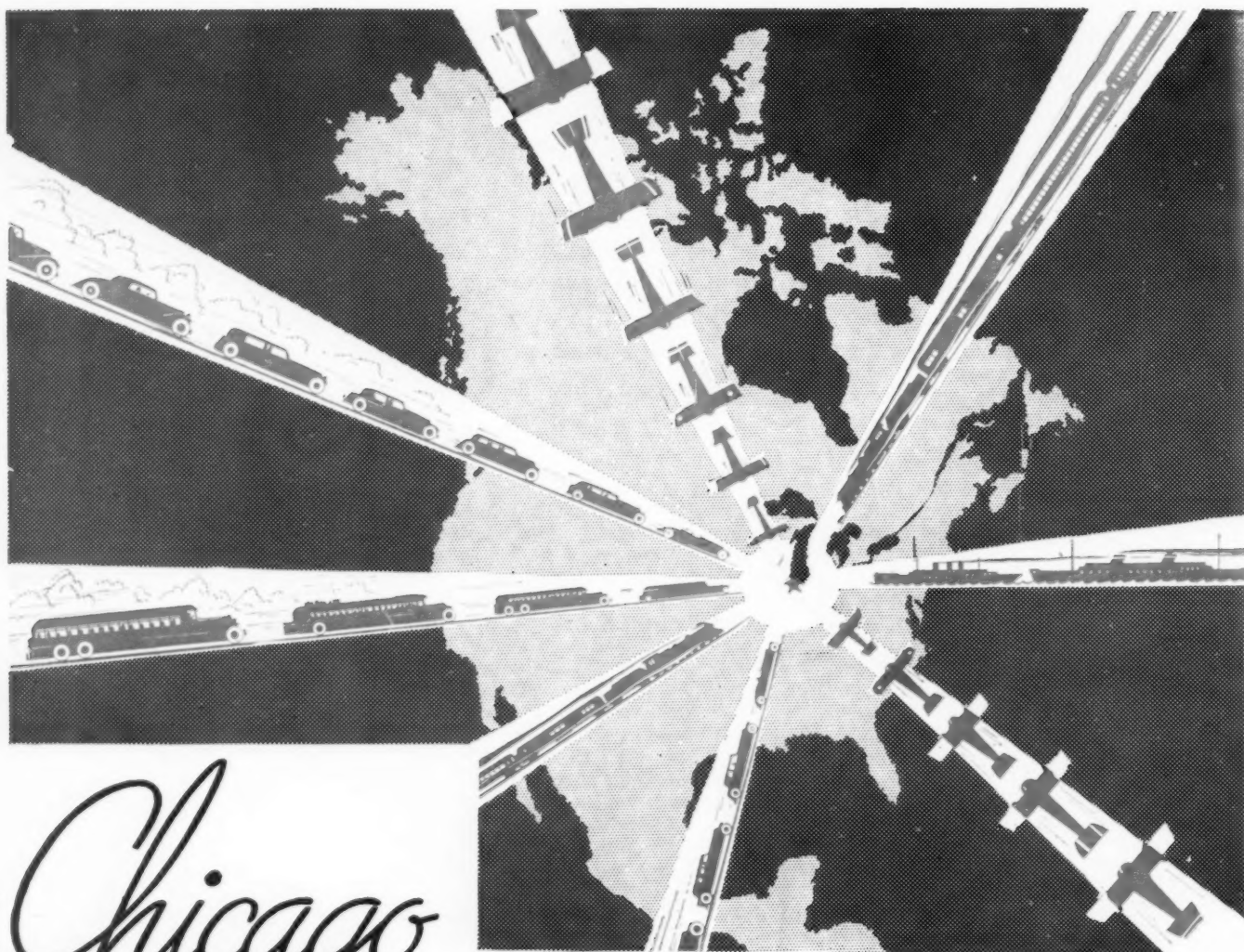
dge of  
o build  
e of a  
ity for  
eference  
single.  
ecessary.  
rr, 420

ABLE

ICKED  
oyment  
ission:  
ational  
consin,

NA  
ARY  
NTON  
OWER  
DRIA





*Chicago*

## AMERICA'S 1933 SALES MECCA!

Conservative estimates indicate that over 15,000,000 people will attend A Century of Progress in Chicago this year. and that about two-thirds—10,000,000—will come from beyond the Chicago 40-mile area which in itself constitutes an annual \$2,000,000,000 market.

If each of these visitors spends only \$50 while in Chicago that small individual expenditure alone will increase Chicago's 1933 sales figures by \$500,000,000! These hundreds of millions will be spent again and again by Chicagoans during A Century of Progress and after! Chicago will once more lead the country to better business as it did with the Columbian Exposition in 1893.

Most of the millions of visitors coming to Chicago know the Tribune. They will use it as their buying guide. Just as 600,000 families in Chicago and suburbs accept the Tribune as their buying guide, day after day, year after year! Just as

over 150,000 other able-to-buy families in the territory adjacent to Chicago.

Tribune advertising rates are already the lowest per thousand in Chicago. The preponderant coverage among these millions of extra buyers who will come to the World's Fair will be without any extra cost to Tribune advertisers!

Your advertising in the Tribune this summer will do both a local and a national job—at one cost. A Tribune representative will be pleased to outline for you the sales opportunities presented by Chicago this year. Ask him to call.

## Chicago Tribune

THE WORLD'S GREATEST NEWSPAPER

First in Influence, First in Coverage, First in Results

